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House of Representatives

The House met at 10 a.m.

The Chaplain, the Reverend Daniel P. Coughlin, offered the following prayer:

Lord God, ever-attentive to our deepest needs, answer the prayers of the Members of Congress and bring them closer and closer to You.

Lord, once you draw souls close to You, people desire to hold on to Your presence, and so they pray. Then to give flesh and blood to prayerful sentiments and words they enter into the realm of self-denial. Finally, personal sacrifice, Lord, never seems worthwhile until it benefits another. So there are these three practices: prayer, fasting and acts of charity. The three are really one, giving life to each other as they bring us closer to You, O Lord.

When we deny ourselves food, drink and any portion of daily life, we gain an inner reminder of being poor and in need. To sincerely petition You, Lord, one needs to first have listened to the pleas of another. Once in the simplicity of heart a person can admit the little they have and still deny self just a portion, then that person has something to offer another from the heart, be that time or a cup of water.

Transform hearts, O Lord, by the Spirit of freedom and peace, then we will have something to offer the world, now and forever. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Kansas (Mr. TIAHRT) come forward and lead the House in the Pledge of Allegiance.

Mr. TIAHRT led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Monahan, one of its clerks, announced that the Senate agreed to the following resolution:

S. RES. 217

Resolved, That the Senate has heard with profound sorrow and deep regret the announcement of the death of the Honorable Howard W. Cannon, formerly a Senator from the State of Nevada.

Resolved, That the Secretary of the Senate communicate these resolutions to the House of Representatives and transmit an enrolled copy thereof to the family of the deceased.

Resolved, That when the Senate adjourns today, it stand adjourned as a further mark of respect to the memory of the deceased Senator.

The message also announced, that the Senate has passed without amendment a concurrent resolution of the House of the following title:

H. Con. Res. 305. Concurrent Resolution permitting the use of the Rotunda of the Capitol for a ceremony to present a gold medal on behalf of Congress to former President Ronald Reagan and his wife Nancy Reagan.

The message also announced that pursuant to Public Law 85–874, as amended, the Chair, on behalf of the President of the Senate, appoints the Senator from Nevada (Mr. REID) to the Board of Trustees of the John F. Kennedy Center for the Performing Arts, vice the Senator from Mississippi (Mr. LOTT)

The message also announced that pursuant to Public Law 68–541, as amended by Public Law 102–246, the Chair, on behalf of the Majority Leader, in consultation with the Republican Leader, reappoints Bernard Rapoport of Texas as a member of the Library of Congress Trust Fund Board for a term of five years, upon the expiration of his current term on March 10, 2002.

CONGRATULATIONS TO MIAMI DADE COMMUNITY COLLEGE

(Ms. ROS-LEHTINEN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. ROS-LEHTINEN. Mr. Speaker, I would like to congratulate a special educational center located in my congressional district, Miami Dade Community College, which confers more degrees than any other college in the country. Run by Dr. Eduardo Padron, the college includes the much-acclaimed School of Aviation and Visitor Services.

The School of Aviation and Visitor Services provides three Associate in Science degrees: professional pilot technology, aviation administration, and aviation maintenance management. The school's programs provides workforce development, education, and training for South Florida's number one industry, travel and tourism.

The program is growing under the leadership of Harry Hoffman, the interim campus president; Dr. Joyce Crawford-Martinez, academic and student dean; Mario Guerrier, school director; and Marjan Mazza, the chairperson of the Eig-Watson School of Aviation.

Please join me in recognizing Miami Dade Community College's School of Aviation and Visitor Services, and especially Lois and Harvey Watson for their generous donation to the school, and Dr. Eduardo Padron for his unwavering dedication to academic excellence.

MEDICARE PRESCRIPTION DRUG BENEFIT

(Mr. ROSS asked and was given permission to address the House for 1

minute and to revise and extend his remarks.)

Mr. ROSS. Madam Speaker, I was pleased to read in Wednesday's New York Times that my Republican colleagues are working on a prescription drug benefit that will encourage the use of generic drugs.

In January, the gentlewoman from Missouri (Mrs. EMERSON) and I introduced a bipartisan bill in the House that would create a voluntary, but guaranteed, Medicare prescription drug benefit for all seniors. We call it Medicare Part D.

Under our plan, seniors would pay an affordable monthly premium, an annual $250 deductible, and a 20 percent co-pay on the cost of their medicine. This 20 percent co-pay will truly promote the use of lower-cost generic drugs and provide real savings for our seniors.

Our bill gives seniors the freedom to choose their pharmacy and their medicines.

Madam Speaker, the Emerson-Ross bill is a comprehensive, common-sense plan. I urge my colleagues to join us in supporting this bipartisan legislation that will truly modernize Medicare to include medicine for all seniors.

TRIBUTE TO NEVADAN SOLDIERS WHO DIED IN BATTLE AGAINST TERRORISM

(Mr. GIBBONS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GIBBONS. Madam Speaker, today I rise to recognize two Nevada heroes, heroes who recently lost their lives in our Nation's war to defend freedom and defeat terrorism.

Private First Class Matthew Commons is one of the most recent casualties in our war against terrorism. A graduate of Boulder City High School, Pfc. Commons was killed Monday in the mountains of eastern Afghanistan.

Last month, our State mourned the loss of Army Specialist Jason Disney. A resident of Fallon, Nevada, and a graduate of Churchill County High School, Specialist Disney was the 20th American to die in the conflict of these young heroes.

Our sympathies and condolences go out to the families of these young men. Please know that Pfc. Commons and Specialist Disney will be missed, but that their courage, valor, and patriotism will never be forgotten.

May God bless these heroes and God bless all of our fellow Americans fighting for freedom and against terror.

STOP VIOLENCE AGAINST WOMEN

(Mrs. CAPPS asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. CAPPS. Madam Speaker, I rise to highlight Lifetime television's campaign to Stop Violence Against Women. This violence crosses all economic, cultural, racial, religious and educational lines. It is a multi-faceted problem with no easy solution. But prevention through education and awareness is key to ending the cycle of abuse perpetuated against nearly one-third of American women.

I will soon introduce legislation to dramatically increase the scale of intervention by urging every health care provider to screen women, age 18 and older, for domestic violence. My bill would also provide health care professionals with the training needed to assess women for signs of abuse.

In the confidential environment of a doctor's office or clinic, health care professionals would serve as a bridge to the criminal justice system. Routine screening for domestic violence would unlock options a woman may not otherwise pursue and allow her to see that shelter and advocacy services may be useful to her.

Madam Speaker, I commend all who have worked unwaveringly to bring the issue of violence against women to the forefront.

DAY OF PRAYER FOR BURMA

(Mr. PITTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PITTS. Madam Speaker, for years the people of Burma have suffered horrifying brutality, torture, rape, forced labor and destruction of homes and villages. Entire communities are forced to live in hiding in the jungles without access to medical care or education for their children because the military dictatorship of Burma continues to attack villagers who refuse to allow drug production on their land or who will not bow to the illegitimate authority of the SPDC.

Approximately 300,000 Burmese are now refugees in Thailand, Bangladesh, and India. When Rev. David Eubank visited with Daw Aung San Suu Kyi, leader of the National League of Democracy in 1997, she suggested inviting churches from around the world to pray for the people of Burma.

Since then, people from all faith backgrounds around the world now join each March to pray for peace for the people of Burma.

Madam Speaker, I urge the American people and this body to join me in praying for freedom and peace for the people of Burma.

MOURNING ARI HALBERSTAM

(Mr. WEINER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WEINER. Madam Speaker, today is the twenty-third of Adar, 5762 on the Jewish calendar, the Yahrzeit, or anniversary, of the passing of Ari Halberstam. It was 8 years ago today that he died as a result of wounds suffered in a terrorist attack on the Brooklyn Bridge March 1, 1994.

America awakened to terrorism on September 11, but for years there were Imams in mosques in the United States, who were inciting hatred and glorifying terrorism. For years, there were voices trying to bring this to our attention, one of the loudest of which was Devorah Halberstam, the mother of Ari. When she was told that her son's death was a result of simple road rage, she refused to let the authorities whitewash history. It was not just because of her son, it was because she realized back then what so many of us did not realize until September 11, that terrorism can happen in the United States and that, unless we are willing to confront terrorism, we are doomed to see it happen again.

On December 5, 2000, the FBI finally classified Ari's death as a terrorist incident. While it was heartening to see that they had abandoned their dogmatic view, this was a hollow victory. For 6 years, the FBI did not admit what it truly was. So today, as the candles burn in honor of Ari Halberstam, let us pause to remember the boy who was taken from us and let us stop to think of the lessons we should learn and let us pray that we have the wisdom to prevent attacks such as these from happening again.

CONGRESS PRAYS FOR MARTIN AND GRACIA BURNHAM

(Mr. TIAHRT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TIAHRT. Madam Speaker, today marks day 285 that Martin and Gracia Burnham have been held captive by Muslim terrorists in the Philippines.

Yesterday, in a video made by the Abu Sayyaf group, the Muslim terrorists, they confirmed their direct connection to the al Qaeda. Martin Burnham was forced to read a statement of grievances by the Muslims. The terrorists, through Martin, said they were targeting Americans and Europeans.

Martin and Gracia are innocent Americans, God-fearing people who are simply trying to make the world a better place. In a recent letter from Paul and Oreta Burnham, Martin's parents, they wrote, ''We pray that we will soon be able to pass on to you good news of Martin and Gracia's release, but until then continue praying and believing God will see their release and being reunited again with their family.''

At a time when the Nation is directly confronting terrorists in Afghanistan, contending with recession and unemployment and quietly fearing an additional attack, it would be easy to lose faith. I encourage our citizens to look at the strength exhibited by the Burnham family. Their plight is grave, but their enduring optimism and faith in God is a beacon of hope for us all.

Please join me in praying for Martin and Gracia's safe release, for the welfare of their family and friends, and for all of us that we share the Burnham's strong faith and use it to make our world a better place.

BALTIMORE ZOO WELCOMES ALASKA

(Mr. BLUMENAUER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BLUMENAUER. Madam Speaker, at times it seems that so much that we deal with on this floor is beyond our control. Yet it seems that there are small steps that we can take to make a difference.

One such step is a livable community promotes humane treatment of animals, whether in our community or the wild. Wild animals, such as polar bears, should be allowed to remain in their natural habitat and be contained only in spaces that directly replicate their natural environment, such as accredited zoos.

Many have been appalled at the polar bears languishing in sweltering temperatures in the Suarez Brothers Circus in Puerto Rico. I am happy to report that yesterday U.S. marshals and agents with the U.S. Fish and Wildlife Service rescued Alaska, one of the polar bears. It turns out that the origins and identity of this polar bear may have been false on the Suarez Brothers' import permit obtained when entering the United States. If true, the circus would be violating international and domestic wildlife protection laws.

I applaud the U.S. Fish and Wildlife Service for taking this action. I understand that Alaska will be housed at the Baltimore Zoo, and I think we can look forward to welcoming her to a safe and healthy environment. We can only hope the other six will be spared a life of misery performing circus tricks in tropical climates.

□ 1015

RECOGNIZING VOLUNTEER EFFORTS OF NATIONAL ROOFING CONTRACTORS ASSOCIATION TO REBUILD PENTAGON ROOF

(Mr. GARY G. MILLER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GARY G. MILLER of California. Madam Speaker, I rise to recognize the small roofing contracting companies who have donated labor, funds and supplies to rebuild over an acre of the Pentagon's roof.

On September 11, the Pentagon experienced severe structural damage when terrorists flew American Airlines Flight 77 into the building. The massive fire caused by thousands of gallons of jet fuel destroyed over 40,000 square feet of the slate roof.

At the urging of Northern Virginia Roofing, a contracting company owned by a husband and wife team in Falls Church, Virginia, the National Roofing Contractors Association negotiated an agreement with the Department of Defense to give the Pentagon a new roof. To date, nearly $400,000 in cash and supplies has been raised by small roofing contracting companies who felt compelled to defeat the terrorists in their own special way.

INTERNATIONAL WOMEN'S DAY

(Ms. BALDWIN asked and was given permission to address the House for 1 minute.)

Ms. BALDWIN. Madam Speaker, tomorrow is International Women's Day. This is a day when women from all countries come together to celebrate a common struggle for justice, equality, and peace. It is a day that celebrates the acts of bravery and determination by ordinary women who have played an extraordinary role in the history of women's rights.

Women have made incredible progress in the last 9 decades since the first International Women's Day was celebrated. However, we are still seeing overwhelming numbers of acts of violence against women. Worldwide, domestic battery is epidemic, and it is estimated that one of every three women and girls has been beaten or sexually assaulted in her lifetime. We must reaffirm our commitment to ending discrimination and violence against women.

Those who say that ending domestic violence is impossible need only look at the progress made in Afghanistan to know that we can make a difference. On this International Women's Day, we should be proud of the progress we have made, but recommit to end violence everywhere.

MOURNING LOSS OF MITCH TYLER, HOKE COUNTY, NORTH CAROLINA, SUPERINTENDENT OF SCHOOLS

(Mr. HAYES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HAYES. Madam Speaker, I rise today to join Hoke County, North Carolina, in mourning the loss of one of our most respected citizens, Superintendent of Schools Mitch Tyler. At the age of 46, Mitch was taken from us far too early, and we will feel the loss to our community for years to come. Mitch had been superintendent for less than 2 years, but his more than 20 years in education, from the State and university levels to Hoke and Cumberland County, made him a well-known, trusted figure and a respected role model.

Mitch, a Robeson County native, started his career in Hoke County. He was a teacher or administrator at West Hoke Elementary, J.W. McLauchlin Elementary and the Turlington School. From 1989 to 1992, he was principal of Hoke County High School. He also worked as a coordinator of Hoke County's Indian education program, a senior assistant to State Superintendent Mike Ward and a director of the University of North Carolina at Pembroke where he was a liaison to region schools.

He was a tireless and selfless advocate for children and an enthusiastic consensus-builder encouraging camaraderie, teamwork, and self-respect among teachers and staff. They knew they could trust his word and that he would do things right. Mitch was also a man of faith who served as assistant pastor and Sunday school teacher at Shannon Assembly of God.

Today we mourn the loss of Mitch Tyler, a man of great character and a leader who always strived to do what was best for children. Barbara and I join the Hoke County community in prayer for Mitch's wife and two teenage children as they grieve the loss of husband and father. Yet we celebrate the life of one who lived so well. Our thoughts and prayers are with you.

COMMEMORATING 50TH ANNIVERSARY OF FAITH COMMUNITY CREDIT UNION

(Mrs. JONES of Ohio asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. JONES of Ohio. Madam Speaker, I rise this morning to celebrate the 50th anniversary of Faith Community Credit Union. Faith Community Credit Union is headed by my good friend, Rita Haynes; and in the 50 years of this credit union, this credit union has come from a small church credit union to being a community credit union where they now in fact have the opportunity to administer Small Business Administration loans to small businesses in our communities.

Last week I had the opportunity to address the National Credit Union Association, and I was introduced by my good friend Rita Haynes. I want to celebrate the great work that the Faith Community Credit Union has done for our community. It has even taken the step of trying to provide loans for people who are being subjected to predatory lenders and those payday loans that you have seen all over the TV where people come in and say to you, get a loan this week and you can pay it off next week with next week's check, and then what do you do with the money that you do not have at that time?

I am so pleased that credit unions are stepping in where many other financial institutions have stepped out. I again rise to celebrate Faith Community Credit Union's 50th anniversary.

SUSAN B. ANTHONY

(Mrs. MYRICK asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MYRICK. Madam Speaker, I rise today to honor Susan B. Anthony and her contributions to the struggle for women's rights many, many years ago.

March is Women's History Month and the perfect time to recognize this incredible woman who truly shaped our country's history and society. She remains one of our Nation's greatest champions, not just for the rights of women but for the rights of all Americans. In addition to the work she did for women and women's rights, she was a leading advocate against the evil of slavery in her day.

Another piece of her legacy that is often brushed over but equally important is her commitment to the rights of unborn children. She opposed abortion because she championed equal rights for all. She did not see a difference in fighting for women's rights and protecting the right to life for all children. She fought for both.

As we think back on Susan B. Anthony's tireless work to promote the dignity of all life, let us renew our own commitment to fight for equal rights, especially for unborn children who have no voice to fight for themselves.

AIRLINE SAFETY

(Mr. INSLEE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. INSLEE. Madam Speaker, I rise to inform my colleagues that when they get on their airplanes this evening or tomorrow morning, it is highly, highly unlikely that the checked baggage that will go into the belly of their airplanes will be checked for explosives. Despite the passage of 4 months after this House and the other Chamber and the President signed into law a requirement that 100 percent of all the checked baggage be screened for bombs, not one single bomb-detection piece of equipment in response to that legislation has been installed in an American airport. The reason for that is that finally, 6 months after September 11, the Federal Government finally this week got around to placing an order for the first 100, about 5 percent of what we need, of these machines to get this job done. We have to buy 2,000 of these machines to get this job done, and 6 months after this event the Federal Government still has only ordered 100.

We want to urge the administration to act with greater dispatch to meet this 100 percent target. We were told this week the Inspector General said the target of December will not be met. We want to make sure the administration moves and moves quickly. We need to get this job done.

WELFARE REFORM

(Mr. WILSON of South Carolina asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WILSON of South Carolina. Madam Speaker, I rise today to endorse welfare reform in America. There was an excellent lead editorial this week in the Carolina Morning News of Savannah dated March 4, and I quote:

''The 1996 welfare reform bill, passed by a Republican Congress and signed by President Clinton, stands as one of the great social policy successes of the last 50 years. It was to the cycle of dependency on the dole what the collapse of the Berlin Wall was to communism, both literally and symbolically.''

America provides more opportunities to its people than any other country in the world, and our educational system and entrepreneurial spirit are unmatched. Therefore, we should work with President Bush to ensure all Americans have jobs and can fulfill themselves to the highest of their abilities.

Madam Speaker, as the newest member of the Welfare Reform Action Team, I am confident, working together, we can assist more and more people to achieve the American dream. I fully support welfare reforms that will accomplish this important task.

CBO PREDICTS SURPLUS FOR 2003

(Mr. KIRK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KIRK. Madam Speaker, the $74 billion Bush tax relief plan is already yielding benefits in the form of accelerated economic activity. According to yesterday's estimates from the Congressional Budget Office, higher economic growth added $23 billion to Federal revenue in fiscal year 2002 and $16 billion in fiscal year 2003. Congress' nonpartisan analysts now show a $5 billion surplus in fiscal year 2002; and if we exercise fiscal discipline as we consider new programs and set the budget targets, this new revenue brings a balanced budget within reach for fiscal year 2003.

That is good surplus news. CBO is changing budget estimates released just 2 months ago. I applaud their quick response to new economic information. However, we need to do more. We need real-world budget estimates that incorporate the effects of economic incentives on proposed policy changes. We need to hold our budget analysts accountable every year for the difference between what they have told us would happen and what actually happened. With that, we can improve future budget projections and make sure this economy is rolling again.

ECONOMIC SECURITY AND RECOVERY ACT OF 2001

Ms. PRYCE of Ohio. Madam Speaker, by direction of the Committee on Rules, I call up House Resolution 360 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 360

Resolved, That upon adoption of this resolution it shall be in order to take from the Speaker's table the bill (H.R. 3090) to provide tax incentives for economic recovery, with the Senate amendment thereto, and to consider in the House, without intervention of any point of order, a motion offered by the chairman of the Committee on Ways and Means or his designee that the House concur in the Senate amendment with the amendment printed in the report of the Committee on Rules accompanying this resolution. The Senate amendment and the motion shall be considered as read. The motion shall be debatable for one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means. The previous question shall be considered as ordered on the motion to final adoption without intervening motion.

The SPEAKER pro tempore (Mrs. EMERSON). The gentlewoman from Ohio (Ms. PRYCE) is recognized for 1 hour.

Ms. PRYCE of Ohio. Madam Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Florida (Mr. HASTINGS) pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Madam Speaker, House Resolution 360 provides for a single motion offered by the chairman of the Committee on Ways and Means, or his designee, that the House concur in the Senate amendment with the amendment printed in the report of the Committee on Rules accompanying the resolution. This resolution waives all points of order against consideration of the motion to concur in the Senate amendment with an amendment. It provides an hour of debate in the House equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means. Finally, the resolution provides that the previous question shall be considered as ordered on the motion to final adoption without intervening motion.

Madam Speaker, this is this body's fourth attempt to find the middle ground. This is the House's fourth attempt to address the needs of unemployed Americans and to provide a needed boost to our economy. This House is putting forth a solution in order to build a consensus.

The amendment made in order under this resolution includes special depreciation allowances for certain property and a 5-year carryback of net operating losses. If we help businesses, we help create much needed jobs. It provides an additional 13 weeks of temporary extended unemployment benefits for those who have exhausted their regular benefits. It includes the liberty zone tax benefits for reconstruction of New York City. Finally, it extends a number of expiring, yet very important, provisions such as tax credits for electric vehicles, the welfare-to-work tax credit, the Archer medical savings accounts, tax credits for production of alternative energy sources, work opportunity tax credits, temporary assistance to needy families, or TANF, and that is to name just a few.

Madam Speaker, while the economy is currently showing strong signs of recovery, many workers still face the harsh realities of unemployment. The economic downturn that began at the end of the year 2000 and that was exacerbated by the tragic events of September 11 left many Americans unexpectedly out of work.

□ 1030

We need to make sure this economy moves in the right direction and that these folks get the help that they need.

By adopting this motion, we will give crucial assistance to Americans who, through no fault of their own, were separated from their occupations, and will ensure that these Americans can care for their loved ones, keep their homes, and feed their children. I urge Members not to turn their backs on American workers, because it is their entrepreneurship, their risk-taking, and their strong work ethic that are driving the forces behind the greatest economy in all the world.

Accordingly, I urge my colleagues to support this rule and the motion to be offered by the gentleman from California (Mr. THOMAS). It is our hope that the other body will accept this initiative so that we can quickly move this important legislation to the President's desk for his signature.

We need to get unemployed Americans the help they need and deserve, not only in the form of extended benefits; but also it is essential that we get them jobs.

Madam Speaker, I reserve the balance of my time.

Mr. HASTINGS of Florida. Madam Speaker, I yield myself such time as I may consume.

(Mr. HASTINGS of Florida asked and was given permission to revise and extend his remarks.)

Mr. HASTINGS of Florida. First, Madam Speaker, let me thank the gentlewoman from Ohio (Ms. PRYCE), my colleague and friend, for yielding me this time.

Madam Speaker, I do not plan to take much time this morning. This House well knows the views of many of us, and I certainly have expressed my views on the topic of economic recovery, job growth stimulation, and tax cuts and credits.

The amendment which we focus on this morning is fairly narrow and straightforward. It extends unemployment benefits for 13 weeks for those workers whose benefits are set to expire within the next several weeks. This amendment also includes a number of incentives for reconstruction efforts centered around Ground Zero in New York City and extends the Temporary Assistance to Needy Families supplemental grants program.

Frankly, I feel proud that we can get this assistance to these workers, and my colleagues on the other side are to be complimented in that regard, and to those who are doing all they can to assist in the revitalization of New York City.

Candidly, Madam Speaker, I am less proud, however, of what this Congress still has not done for the rest of the country and all those who have been impacted as a result of the events of September 11. I note again, as I did yesterday in the Committee on Rules, and as I have done a multiplicity of times since not long after September 11, this Congress has not done nearly enough to help those whose economic livelihood has been severely devastated since the terrorist attacks of 6 months ago.

On September 24, barely 2 weeks after the attacks, the gentlewoman from Pennsylvania (Ms. HART) and I introduced a comprehensive measure to help this country's workers. Our bill, H.R. 2946, would not only extend unemployment benefits, it would also increase job training opportunities and extend health care and insurance benefits to those who desperately need it.

Now, 5 months and nearly 160 bipartisan cosponsors later, the House has still not acted on the Hart-Hastings bill. We are doing a little this morning. But let me say this with the certainty of a clarion: we have not done enough.

I will continue to say we have not done enough until we do. I will continue to ask the chairman of the Committee on Ways and Means, and I will continue to ask the chairman of the Committee on Education and the Workforce and I will continue to ask the chairman of the Committee on Commerce to move the Hastings-Hart bill through their respective committees with alacrity and bring it to the House floor at once.

Madam Speaker, near the end of this debate, I will call on my colleagues to defeat the previous question. If the previous question is defeated, I will offer an amendment to the rule that would allow the House to vote on an amendment to provide States with a temporary increase in their Medicaid matching rate because of the increased number of people who are unemployed and, therefore, do not have health insurance. As I noted a moment ago, millions of American jobs have been lost since September 11. Far too often, with that job loss, comes the loss of health insurance.

When people get sick, they still need care, whether they can pay for it or not. The cost of this care often falls on the State through its Medicaid program. Our amendment would greatly ease the increased financial burden that many States and certainly my State of Florida now faces.

Madam Speaker, I urge a ''no'' vote on the previous question; and if the previous question is defeated, as I indicated, I will offer an amendment to the rule that will allow the House to vote on an amendment to provide States with a temporary increase in their Medicaid matching rate. As I said a few minutes ago, it has been nearly 6 months since the events of September 11.

Our economy, which is already in an economic downturn, has worsened considerably. The cost of this care often falls on States through its Medicaid program. This amendment will greatly ease the increased financial burden that many States now face.

Madam Speaker, I urge a ''no'' vote on the previous question and a vote instead to support an amendment that will help States to offset the cost of increased health costs due to the high levels of unemployment.

PREVIOUS QUESTION FOR H. RES. 360—ECONOMIC SECURITY AND RECOVERY ACT OF 2001

Strike all after the resolving clause and insert:

That upon the adoption of this resolution it shall be in order to take from the Speaker's table the bill (H.R. 3090) to provide tax incentives for economic recovery, with the Senate amendment thereto, and to consider in the House, without intervention of any point of order, a motion offered by the Chairman of the Committee on Ways and Means or his designee that the House concur in the Senate amendment with the amendment printed in the report of the Committee on Rules accompanying this resolution. The Senate amendment and the motion shall be considered as read. The motion shall be debatable for one hour equally divided and controlled by the Chairman and ranking minority member of the Committee on Ways and Means. The previous question shall be considered as ordered on the motion and on any amendment thereto to final adoption without intervening motion except the amendment specified in section 2 if offered by Representative Rangel of New York or his designee, which shall be in order without intervention of any point of order or demand for division of the question, shall be considered as read, and shall be separately debatable for one hour equally divided and controlled by the proponent and an opponent.

SEC. 2. The amendment referred to in the first section of this resolution is as follows:

At the appropriate place, insert the following:

SEC. . TEMPORARY INCREASES OF MEDICAID FMAP FOR FISCAL YEAR 2002.

(a) PERMITTING MAINTENANCE OF FISCAL YEAR 2001 FMAP.—Nothwithstanding any other provision of law, but subject to subsection (d), if the FMAP determined without regard to this section for a State for fiscal year 2002 is less than the FMAP as so determined for fiscal year 2001, the FMAP for the State for fiscal year 2001 shall be substituted for the State's FMAP for fiscal year 2002, before the application of this section.

(b) GENERAL 1.50 PERCENTAGE POINTS INCREASE.—Notwithstanding any other provision of law, but subject to subsections (d) and (e), for each State for each calendar quarter in fiscal year 2002, the FMAP (taking into account the application of subsection (a)) shall be increased by 1.50 percentage points.

(c) FURTHER INCREASE FOR STATES WITH HIGH UNEMPLOYMENT RATES.—

(1) IN GENERAL.—Notwithstanding any other provision of law, but subject to subsections (d) and (e), the FMAP for a high unemployment State for a calendar quarter in fiscal year 2002 (and any subsequent calendar quarter in such fiscal year regardless of whether the State continues to be a high unemployment State for a calendar quarter in such fiscal year) shall be increased (after the application of subsections (a) and (b)) by 1.50 percentage points.

(2) HIGH UNEMPLOYMENT STATE.—For purposes of this subsection, a State is a high unemployment State for a calendar quarter if, for any 3 consecutive month period beginning on or after June 2001 and ending with

the second month before the beginning of the calendar quarter, the State has an average seasonally adjusted unemployment rate that exceeds the average weighted unemployment rate during such period. Such unemployment rates for such months shall be determined based on publications of the Bureau of Labor Statistics of the Department of Labor.

(3) AVERAGE WEIGHTED UNEMPLOYMENT RATE DEFINED.—For purposes of paragraph (2), the average weighted unemployment rate for a period is—

(A) the sum of the seasonally adjusted number of unemployed civilians in each State and the District of Columbia for the period, divided by

(B) the sum of the civilian labor force in each State and the District of Columbia for the period.

(d) 1-YEAR INCREASE IN CAP ON MEDICAID PAYMENTS TO TERRITORIES.—Notwithstanding any other provision of law, with respect to fiscal year 2002, the amounts otherwise determined for Puerto Rico, the Virgin Islands, Guam, the Northern Mariana Islands, and American Samoa under section 1108 of the Social Security Act (42 U.S.C. 1308) shall each be increased by an amount equal to 3.093 percentage points of such amounts.

(e) SCOPE OF APPLICATION.—The increases in the FMAP for a State under this section shall apply only for purposes of title XIX of the Social Security Act and shall not apply with respect to—

(1) disproportionate share hospital payments described in section 1923 of such Act (42 U.S.C. 1396r–4); and

(2) payments under titles IV and XXI of such Act (42 U.S.C. 601 et seq. and 1397aa et seq.).

Madam Speaker, I yield back the balance of my time.

Ms. PRYCE of Ohio. Madam Speaker, I yield myself such time as I may consume to remind my colleagues that this body has done its job. It has looked for consensus, and it has found a solution. This motion to help unemployed workers as they look for jobs will give a boost to them and also a small boost to the businesses that can help create those jobs. I urge my colleagues to support this rule and the underlying motion so that it can be sent finally to the President for his signature.

Madam Speaker, I urge a ''yes'' vote, I yield back the balance of my time, and I move the previous question on the resolution.

The SPEAKER pro tempore (Mrs. EMERSON). The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. HASTINGS of Florida. Madam Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

Pursuant to clause 9 of rule XX, the Chair will reduce to 5 minutes the minimum time for electronic voting, if ordered, on adoption of the resolution.

The vote was taken by electronic device, and there were—yeas 217, nays 192, not voting 25, as follows:

[Roll No. 51]

YEAS—217

Aderholt	Graham	Pickering
Akin	Granger	Pitts
Armey	Graves	Platts
Bachus	Green (WI)	Pombo
Baker	Greenwood	Portman
Ballenger	Grucci	Pryce (OH)
Barr	Gutknecht	Putnam
Bartlett	Hall (TX)	Quinn
Bass	Hansen	Radanovich
Bereuter	Hart	Ramstad
Biggert	Hastings (WA)	Regula
Bilirakis	Hayes	Rehberg
Blunt	Hayworth	Reynolds
Boehlert	Hefley	Riley
Boehner	Herger	Rogers (KY)
Bonilla	Hilleary	Rogers (MI)
Bono	Hobson	Rohrabacher
Boozman	Hoekstra	Ros-Lehtinen
Brady (TX)	Horn	Roukema
Brown (SC)	Hostettler	Royce
Bryant	Houghton	Ryan (WI)
Burr	Hulshof	Ryun (KS)
Burton	Hunter	Saxton
Buyer	Hyde	Schaffer
Callahan	Isakson	Schrock
Camp	Issa	Sensenbrenner
Cannon	Istook	Sessions
Cantor	Jenkins	Shadegg
Capito	Johnson (CT)	Shaw
Castle	Johnson, Sam	Shays
Chabot	Jones (NC)	Sherwood
Chambliss	Keller	Shimkus
Coble	Kelly	Shows
Collins	Kennedy (MN)	Shuster
Combest	Kerns	Simpson
Cooksey	King (NY)	Skeen
Cox	Kingston	Smith (MI)
Crane	Kirk	Smith (NJ)
Crenshaw	Knollenberg	Smith (TX)
Cunningham	Kolbe	Souder
Davis, Jo Ann	LaHood	Stearns
Davis, Tom	Latham	Stump
Deal	LaTourette	Sullivan
DeLay	Leach	Sununu
DeMint	Lewis (CA)	Sweeney
Diaz-Balart	Lewis (KY)	Tancredo
Dicks	Linder	Tauzin
Dooley	LoBiondo	Taylor (NC)
Doolittle	Lucas (OK)	Terry
Dreier	Manzullo	Thomas
Duncan	McCrery	Thornberry
Dunn	McHugh	Thune
Ehlers	McInnis	Tiahrt
Ehrlich	McKeon	Tiberi
Emerson	Mica	Toomey
English	Miller, Dan	Upton
Everett	Miller, Gary	Vitter
Ferguson	Miller, Jeff	Walden
Flake	Moran (KS)	Walsh
Fletcher	Myrick	Wamp
Foley	Nethercutt	Watkins (OK)
Forbes	Ney	Watts (OK)
Fossella	Northup	Weldon (FL)
Frelinghuysen	Norwood	Weldon (PA)
Ganske	Nussle	Weller
Gekas	Osborne	Whitfield
Gibbons	Ose	Wicker
Gilchrest	Otter	Wilson (NM)
Gillmor	Oxley	Wilson (SC)
Gilman	Paul	Wolf
Goode	Pence	Young (FL)
Goodlatte	Peterson (PA)	
Goss	Petri	

NAYS—192

Abercrombie	Brown (OH)	Deutsch
Allen	Capps	Dingell
Andrews	Capuano	Doggett
Baca	Cardin	Doyle
Baird	Carson (IN)	Edwards
Baldacci	Carson (OK)	Engel
Baldwin	Clay	Eshoo
Barcia	Clayton	Etheridge
Barrett	Clement	Evans
Becerra	Clyburn	Farr
Berkley	Conyers	Fattah
Berman	Costello	Filner
Berry	Coyne	Ford
Bishop	Cramer	Frank
Blumenauer	Cummings	Frost
Bonior	Davis (CA)	Gephardt
Borski	Davis (FL)	Gonzalez
Boswell	DeFazio	Gordon
Boucher	DeGette	Green (TX)
Boyd	Delahunt	Gutierrez
Brady (PA)	DeLauro	Hall (OH)
Harman	Mascara	Roemer
Hastings (FL)	Matheson	Roybal-Allard
Hill	Matsui	Rush
Hilliard	McCarthy (MO)	Sabo
Hinchey	McCarthy (NY)	Sanders
Hinojosa	McCollum	Sandlin
Hoeffel	McDermott	Sawyer
Holden	McGovern	Schakowsky
Holt	McIntyre	Schiff
Honda	McKinney	Scott
Hooley	McNulty	Serrano
Hoyer	Meehan	Sherman
Inslee	Meek (FL)	Skelton
Israel	Meeks (NY)	Slaughter
Jackson (IL)	Menendez	Smith (WA)
Jefferson	Millender-McDonald	Snyder
John	Miller, George	Spratt
Johnson, E. B.	Mink	Stark
Jones (OH)	Mollohan	Stenholm
Kanjorski	Moore	Strickland
Kaptur	Moran (VA)	Stupak
Kennedy (RI)	Murtha	Tanner
Kildee	Nadler	Tauscher
Kilpatrick	Napolitano	Taylor (MS)
Kind (WI)	Oberstar	Thompson (CA)
Kleczka	Obey	Thompson (MS)
Kucinich	Olver	Thurman
LaFalce	Ortiz	Tierney
Lampson	Owens	Towns
Langevin	Pallone	Turner
Lantos	Pascrell	Udall (CO)
Larsen (WA)	Pastor	Udall (NM)
Larson (CT)	Payne	Velazquez
Lee	Pelosi	Visclosky
Levin	Peterson (MN)	Waters
Lewis (GA)	Phelps	Watson (CA)
Lipinski	Pomeroy	Watt (NC)
Lowey	Price (NC)	Waxman
Lucas (KY)	Rahall	Weiner
Luther	Rangel	Woolsey
Lynch	Reyes	Wu
Maloney (CT)	Rivers	Wynn
Maloney (NY)	Rodriguez	
Markey		

NOT VOTING—25

Ackerman	Culberson	Ross
Barton	Davis (IL)	Rothman
Bentsen	Gallegly	Sanchez
Blagojevich	Jackson-Lee (TX)	Simmons
Brown (FL)	Johnson (IL)	Solis
Calvert	Lofgren	Traficant
Condit	Morella	Wexler
Crowley	Neal	Young (AK)
Cubin		

□ 1102

Ms. VELÁZQUEZ, Ms. ESHOO, Ms. HOOLEY of Oregon and Messrs. STUPAK, BISHOP, and JOHN changed their vote from ''yea'' to ''nay''.

Mr. EVERETT and Mr. CASTLE changed their vote from ''nay'' to ''yea''.

So the previous question was ordered.

The result of the vote was announced as above recorded.

Stated against:

Ms. SOLIS. Mr. Speaker, during rollcall vote No. 51 on ordering the previous question I was unavoidably detained. Had I been present, I would have voted ''nay.''

The SPEAKER pro tempore (Mrs. EMERSON). The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. THOMAS. Madam Speaker, pursuant to House Resolution 360 I call up from the Speaker's table the bill (H.R. 3090) to provide tax incentives for economic recovery, with a Senate amendment thereto, and ask for its immediate consideration in the House.

The Clerk read the title of the bill.

The text of the Senate amendment is as follows:

Senate amendment:

Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Temporary Extended Unemployment Compensation Act of 2002''.

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

SEC. 2. FEDERAL-STATE AGREEMENTS.

(a) IN GENERAL.—Any State which desires to do so may enter into and participate in an agreement under this Act with the Secretary of Labor (in this Act referred to as the ''Secretary''). Any State which is a party to an agreement under this Act may, upon providing 30 days written notice to the Secretary, terminate such agreement.

(b) PROVISIONS OF AGREEMENT.—Any agreement under subsection (a) shall provide that the State agency of the State will make payments of temporary extended unemployment compensation to individuals—

(1) who—

(A) first exhausted all rights to regular compensation under the State law on or after the first day of the week that includes September 11, 2001; or

(B) have their 26th week of regular compensation under the State law end on or after the first day of the week that includes September 11, 2001;

(2) who do not have any rights to regular compensation under the State law of any other State; and

(3) who are not receiving compensation under the unemployment compensation law of any other country.

(c) COORDINATION RULES.—

(1) TEMPORARY EXTENDED UNEMPLOYMENT COMPENSATION TO SERVE AS SECOND-TIER BENEFITS.—Notwithstanding any other provision of law, neither regular compensation, extended compensation, nor additional compensation under any Federal or State law shall be payable to any individual for any week for which temporary extended unemployment compensation is payable to such individual.

(2) TREATMENT OF OTHER UNEMPLOYMENT COMPENSATION.—After the date on which a State enters into an agreement under this Act, any regular compensation in excess of 26 weeks, any extended compensation, and any additional compensation under any Federal or State law shall be payable to an individual in accordance with the State law after such individual has exhausted any rights to temporary extended unemployment compensation under the agreement.

(d) EXHAUSTION OF BENEFITS.—For purposes of subsection (b)(1)(A), an individual shall be deemed to have exhausted such individual's rights to regular compensation under a State law when—

(1) no payments of regular compensation can be made under such law because the individual has received all regular compensation available to the individual based on employment or wages during the individual's base period; or

(2) the individual's rights to such compensation have been terminated by reason of the expiration of the benefit year with respect to which such rights existed.

(e) WEEKLY BENEFIT AMOUNT, TERMS AND CONDITIONS, ETC. RELATING TO TEMPORARY EXTENDED UNEMPLOYMENT COMPENSATION.—For purposes of any agreement under this Act—

(1) the amount of temporary extended unemployment compensation which shall be payable to an individual for any week of total unemployment shall be equal to the amount of regular compensation (including dependents' allowances) payable to such individual under the State law for a week for total unemployment during such individual's benefit year;

(2) the terms and conditions of the State law which apply to claims for regular compensation and to the payment thereof shall apply to claims for temporary extended unemployment compensation and the payment thereof, except where inconsistent with the provisions of this Act or with the regulations or operating instructions of the Secretary promulgated to carry out this Act; and

(3) the maximum amount of temporary extended unemployment compensation payable to any individual for whom a temporary extended unemployment compensation account is established under section 3 shall not exceed the amount established in such account for such individual.

SEC. 3. TEMPORARY EXTENDED UNEMPLOYMENT COMPENSATION ACCOUNT.

(a) IN GENERAL.—Any agreement under this Act shall provide that the State will establish, for each eligible individual who files an application for temporary extended unemployment compensation, a temporary extended unemployment compensation account.

(b) AMOUNT IN ACCOUNT.—

(1) IN GENERAL.—The amount established in an account under subsection (a) shall be equal to 13 times the individual's weekly benefit amount.

(2) WEEKLY BENEFIT AMOUNT.—For purposes of paragraph (1)(B), an individual's weekly benefit amount for any week is an amount equal to the amount of regular compensation (including dependents' allowances) under the State law payable to the individual for such week for total unemployment.

SEC. 4. PAYMENTS TO STATES HAVING AGREEMENTS UNDER THIS ACT.

(a) GENERAL RULE.—There shall be paid to each State that has entered into an agreement under this Act an amount equal to 100 percent of the temporary extended unemployment compensation paid to individuals by the State pursuant to such agreement.

(b) DETERMINATION OF AMOUNT.—Sums under subsection (a) payable to any State by reason of such State having an agreement under this Act shall be payable, either in advance or by way of reimbursement (as may be determined by the Secretary), in such amounts as the Secretary estimates the State will be entitled to receive under this Act for each calendar month, reduced or increased, as the case may be, by any amount by which the Secretary finds that the Secretary's estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made on the basis of such statistical, sampling, or other method as may be agreed upon by the Secretary and the State agency of the State involved.

(c) ADMINISTRATIVE EXPENSES.—There are appropriated out of the employment security administration account (as established by section 901(a) of the Social Security Act (42 U.S.C. 1101(a)) of the Unemployment Trust Fund, without fiscal year limitation, such funds as may be necessary for purposes of assisting States (as provided in title III of the Social Security Act (42 U.S.C. 501 et seq.)) in meeting the costs of administration of agreements under this Act.

SEC. 5. FINANCING PROVISIONS.

(a) IN GENERAL.—Funds in the extended unemployment compensation account (as established by section 905(a) of the Social Security Act (42 U.S.C. 1105(a))), and the Federal unemployment account (as established by section 904(g) of such Act (42 U.S.C. 1104(g))), of the Unemployment Trust Fund (as established by section 904(a) of such Act (42 U.S.C. 1104(a))) shall be used, in accordance with subsection (b), for the making of payments (described in section 4(a)) to States having agreements entered into under this Act.

(b) CERTIFICATION.—The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State the sums described in section 4(a) which are payable to such State under this Act. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payments to the State in accordance with such certification by transfers from the extended unemployment compensation account, as so established (or, to the extent that there are insufficient funds in that account, from the Federal unemployment account, as so established) to the account of such State in the Unemployment Trust Fund (as so established).

SEC. 6. FRAUD AND OVERPAYMENTS.

(a) IN GENERAL.—If an individual knowingly has made, or caused to be made by another, a false statement or representation of a material fact, or knowingly has failed, or caused another to fail, to disclose a material fact, and as a result of such false statement or representation or of such nondisclosure such individual has received any temporary extended unemployment compensation under this Act to which such individual was not entitled, such individual—

(1) shall be ineligible for any further benefits under this Act in accordance with the provisions of the applicable State unemployment compensation law relating to fraud in connection with a claim for unemployment compensation; and

(2) shall be subject to prosecution under section 1001 of title 18, United States Code.

(b) REPAYMENT.—In the case of individuals who have received any temporary extended unemployment compensation under this Act to which such individuals were not entitled, the State shall require such individuals to repay those benefits to the State agency, except that the State agency may waive such repayment if it determines that—

(1) the payment of such benefits was without fault on the part of any such individual; and

(2) such repayment would be contrary to equity and good conscience.

(c) RECOVERY BY STATE AGENCY.—

(1) IN GENERAL.—The State agency may recover the amount to be repaid, or any part thereof, by deductions from any regular compensation or temporary extended unemployment compensation payable to such individual under this Act or from any unemployment compensation payable to such individual under any Federal unemployment compensation law administered by the State agency or under any other Federal law administered by the State agency which provides for the payment of any assistance or allowance with respect to any week of unemployment, during the 3-year period after the date such individuals received the payment of the temporary extended unemployment compensation to which such individuals were not entitled, except that no single deduction may exceed 50 percent of the weekly benefit amount from which such deduction is made.

(2) OPPORTUNITY FOR HEARING.—No repayment shall be required, and no deduction shall be made, until a determination has been made, notice thereof and an opportunity for a fair hearing has been given to the individual, and the determination has become final.

(d) REVIEW.—Any determination by a State agency under this section shall be subject to review in the same manner and to the same extent as determinations under the State unemployment compensation law, and only in that manner and to that extent.

SEC. 7. DEFINITIONS.

In this Act, the terms ''compensation'', ''regular compensation'', ''extended compensation'', ''additional compensation'', ''benefit year'', ''base period'', ''State'', ''State agency'', ''State law'', and ''week'' have the respective meanings given such terms under section 205 of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note).

SEC. 8. APPLICABILITY.

An agreement entered into under this Act shall apply to weeks of unemployment—

(1) beginning after the date on which such agreement is entered into; and

(2) ending before January 6, 2003.

MOTION OFFERED BY MR. THOMAS

Mr. THOMAS. Madam Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. THOMAS moves that the House concur in the Senate amendment with an amendment, as follows:

In the amendment of the Senate, strike the matter proposed to be inserted by the Senate and insert the following:

SECTION 1. SHORT TITLE; ETC.

(a) SHORT TITLE.—This Act may be cited as the ''Job Creation and Worker Assistance Act of 2002''.

(b) REFERENCES TO INTERNAL REVENUE CODE OF 1986.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

(c) TABLE OF CONTENTS.—

TITLE I—BUSINESS PROVISIONS

SEC. 101. SPECIAL DEPRECIATION ALLOWANCE FOR CERTAIN PROPERTY ACQUIRED AFTER SEPTEMBER 10, 2001, AND BEFORE SEPTEMBER 11, 2004.

(a) IN GENERAL.—Section 168 (relating to accelerated cost recovery system) is amended by adding at the end the following new subsection:

''(k) SPECIAL ALLOWANCE FOR CERTAIN PROPERTY ACQUIRED AFTER SEPTEMBER 10, 2001, AND BEFORE SEPTEMBER 11, 2004.—

''(1) ADDITIONAL ALLOWANCE.—In the case of any qualified property—

''(A) the depreciation deduction provided by section 167(a) for the taxable year in which such property is placed in service shall include an allowance equal to 30 percent of the adjusted basis of the qualified property, and

''(B) the adjusted basis of the qualified property shall be reduced by the amount of such deduction before computing the amount otherwise allowable as a depreciation deduction under this chapter for such taxable year and any subsequent taxable year.

''(2) QUALIFIED PROPERTY.—For purposes of this subsection—

''(A) IN GENERAL.—The term 'qualified property' means property—

''(i)(I) to which this section applies which has a recovery period of 20 years or less,

''(II) which is computer software (as defined in section 167(f)(1)(B)) for which a deduction is allowable under section 167(a) without regard to this subsection,

''(III) which is water utility property, or

''(IV) which is qualified leasehold improvement property,

''(ii) the original use of which commences with the taxpayer after September 10, 2001,

''(iii) which is—

''(I) acquired by the taxpayer after September 10, 2001, and before September 11, 2004, but only if no written binding contract for the acquisition was in effect before September 11, 2001, or

''(II) acquired by the taxpayer pursuant to a written binding contract which was entered into after September 10, 2001, and before September 11, 2004, and

''(iv) which is placed in service by the taxpayer before January 1, 2005, or, in the case of property described in subparagraph (B), before January 1, 2006.

''(B) CERTAIN PROPERTY HAVING LONGER PRODUCTION PERIODS TREATED AS QUALIFIED PROPERTY.—

''(i) IN GENERAL.—The term 'qualified property' includes property—

''(I) which meets the requirements of clauses (i), (ii), and (iii) of subparagraph (A),

''(II) which has a recovery period of at least 10 years or is transportation property, and

''(III) which is subject to section 263A by reason of clause (ii) or (iii) of subsection (f)(1)(B) thereof.

''(ii) ONLY PRE-SEPTEMBER 11, 2004, BASIS ELIGIBLE FOR ADDITIONAL ALLOWANCE.—In the case of property which is qualified property solely by reason of clause (i), paragraph (1) shall apply only to the extent of the adjusted basis thereof attributable to manufacture, construction, or production before September 11, 2004.

''(iii) TRANSPORTATION PROPERTY.—For purposes of this subparagraph, the term 'transportation property' means tangible personal property used in the trade or business of transporting persons or property.

''(C) EXCEPTIONS.—

''(i) ALTERNATIVE DEPRECIATION PROPERTY.—The term 'qualified property' shall not include any property to which the alternative depreciation system under subsection (g) applies, determined—

''(I) without regard to paragraph (7) of subsection (g) (relating to election to have system apply), and

''(II) after application of section 280F(b) (relating to listed property with limited business use).

''(ii) QUALIFIED NEW YORK LIBERTY ZONE LEASEHOLD IMPROVEMENT PROPERTY.—The term 'qualified property' shall not include any qualified New York Liberty Zone leasehold improvement property (as defined in section 1400L(c)(2)).

''(iii) ELECTION OUT.—If a taxpayer makes an election under this clause with respect to any class of property for any taxable year, this subsection shall not apply to all property in such class placed in service during such taxable year.

''(D) SPECIAL RULES.—

''(i) SELF-CONSTRUCTED PROPERTY.—In the case of a taxpayer manufacturing, constructing, or producing property for the taxpayer's own use, the requirements of clause (iii) of subparagraph (A) shall be treated as met if the taxpayer begins manufacturing, constructing, or producing the property after September 10, 2001, and before September 11, 2004.

''(ii) SALE-LEASEBACKS.—For purposes of subparagraph (A)(ii), if property—

''(I) is originally placed in service after September 10, 2001, by a person, and

''(II) sold and leased back by such person within 3 months after the date such property was originally placed in service,

such property shall be treated as originally placed in service not earlier than the date on which such property is used under the leaseback referred to in subclause (II).

''(E) COORDINATION WITH SECTION 280F.—For purposes of section 280F—

''(i) AUTOMOBILES.—In the case of a passenger automobile (as defined in section 280F(d)(5)) which is qualified property, the Secretary shall increase the limitation under section 280F(a)(1)(A)(i) by $4,600.

''(ii) LISTED PROPERTY.—The deduction allowable under paragraph (1) shall be taken into account in computing any recapture amount under section 280F(b)(2).

''(F) DEDUCTION ALLOWED IN COMPUTING MINIUMUM TAX.—For purposes of determining alternative minimum taxable income under section 55, the deduction under subsection (a) for qualified property shall be determined under this section without regard to any adjustment under section 56.

''(3) QUALIFIED LEASEHOLD IMPROVEMENT PROPERTY.—For purposes of this subsection—

''(A) IN GENERAL.—The term 'qualified leasehold improvement property' means any improvement to an interior portion of a building which is nonresidential real property if—

''(i) such improvement is made under or pursuant to a lease (as defined in subsection (h)(7))—

''(I) by the lessee (or any sublessee) of such portion, or

''(II) by the lessor of such portion,

''(ii) such portion is to be occupied exclusively by the lessee (or any sublessee) of such portion, and

''(iii) such improvement is placed in service more than 3 years after the date the building was first placed in service.

''(B) CERTAIN IMPROVEMENTS NOT INCLUDED.—Such term shall not include any improvement for which the expenditure is attributable to—

''(i) the enlargement of the building,

''(ii) any elevator or escalator,

''(iii) any structural component benefiting a common area, and

''(iv) the internal structural framework of the building.

''(C) DEFINITIONS AND SPECIAL RULES.—For purposes of this paragraph—

''(i) COMMITMENT TO LEASE TREATED AS LEASE.—A commitment to enter into a lease shall be treated as a lease, and the parties to such commitment shall be treated as lessor and lessee, respectively.

''(ii) RELATED PERSONS.—A lease between related persons shall not be considered a lease. For purposes of the preceding sentence, the term 'related persons' means—

''(I) members of an affiliated group (as defined in section 1504), and

''(II) persons having a relationship described in subsection (b) of section 267; except that, for purposes of this clause, the phrase '80 percent or more' shall be substituted for the phrase 'more than 50 percent' each place it appears in such subsection.''

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after September 10, 2001, in taxable years ending after such date.

SEC. 102. CARRYBACK OF CERTAIN NET OPERATING LOSSES ALLOWED FOR 5 YEARS; TEMPORARY SUSPENSION OF 90 PERCENT AMT LIMIT.

(a) IN GENERAL.—Paragraph (1) of section 172(b) (relating to years to which loss may be carried) is amended by adding at the end the following new subparagraph:

''(H) In the case of a taxpayer which has a net operating loss for any taxable year ending during 2001 or 2002, subparagraph (A)(i) shall be applied by substituting '5' for '2' and subparagraph (F) shall not apply.''.

(b) ELECTION TO DISREGARD 5-YEAR CARRYBACK.—Section 172 (relating to net operating loss deduction) is amended by redesignating subsection (j) as subsection (k) and by inserting after subjection (i) the following new subsection:

''(j) ELECTION TO DISREGARD 5-YEAR CARRYBACK FOR CERTAIN NET OPERATING LOSSES.—Any taxpayer entitled to a 5-year carryback under subsection (b)(1)(H) from any loss year may elect to have the carryback period with respect to such loss year determined without regard to subsection (b)(1)(H). Such election shall be made in such manner as may be prescribed by the Secretary and shall be made by the due date (including extensions of time) for filing the taxpayer's return for the taxable year of the net operating loss. Such election, once made for any taxable year, shall be irrevocable for such taxable year.''.

(c) TEMPORARY SUSPENSION OF 90 PERCENT LIMIT ON CERTAIN NOL CARRYOVERS.—

(1) IN GENERAL.—Subparagraph (A) of section 56(d)(1) (relating to general rule defining alternative tax net operating loss deduction) is amended to read as follows:

''(A) the amount of such deduction shall not exceed the sum of—

''(i) the lesser of—

''(I) the amount of such deduction attributable to net operating losses (other than the deduction attributable to carryovers described in clause (ii)(I)), or

''(II) 90 percent of alternative minimum taxable income determined without regard to such deduction, plus

''(ii) the lesser of—

''(I) the amount of such deduction attributable to the sum of carrybacks of net operating losses for taxable years ending during 2001 or 2002 and carryforwards of net operating losses to taxable years ending during 2001 and 2002, or

''(II) alternative minimum taxable income determined without regard to such deduction reduced by the amount determined under clause (i), and''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to taxable years ending before January 1, 2003.

(d) EFFECTIVE DATE.—Except as provided in subsection (c), the amendments made by this section shall apply to net operating losses for taxable years ending after December 31, 2000.

TITLE II—UNEMPLOYMENT ASSISTANCE

SEC. 201. SHORT TITLE.

This title may be cited as the ''Temporary Extended Unemployment Compensation Act of 2002''.

SEC. 202. FEDERAL-STATE AGREEMENTS.

(a) IN GENERAL.—Any State which desires to do so may enter into and participate in an agreement under this title with the Secretary of Labor (in this title referred to as the ''Secretary''). Any State which is a party to an agreement under this title may, upon providing 30 days' written notice to the Secretary, terminate such agreement.

(b) PROVISIONS OF AGREEMENT.—Any agreement under subsection (a) shall provide that the State agency of the State will make payments of temporary extended unemployment compensation to individuals who—

(1) have exhausted all rights to regular compensation under the State law or under Federal law with respect to a benefit year (excluding any benefit year that ended before March 15, 2001);

(2) have no rights to regular compensation or extended compensation with respect to a week under such law or any other State unemployment compensation law or to compensation under any other Federal law;

(3) are not receiving compensation with respect to such week under the unemployment compensation law of Canada; and

(4) filed an initial claim for regular compensation on or after March 15, 2001.

(c) EXHAUSTION OF BENEFITS.—For purposes of subsection (b)(1), an individual shall be deemed to have exhausted such individual's rights to regular compensation under a State law when—

(1) no payments of regular compensation can be made under such law because such individual has received all regular compensation available to such individual based on employment or wages during such individual's base period; or

(2) such individual's rights to such compensation have been terminated by reason of the expiration of the benefit year with respect to which such rights existed.

(d) WEEKLY BENEFIT AMOUNT, ETC.—For purposes of any agreement under this title—

(1) the amount of temporary extended unemployment compensation which shall be payable to any individual for any week of total unemployment shall be equal to the amount of the regular compensation (including dependents' allowances) payable to such individual during such individual's benefit year under the State law for a week of total unemployment;

(2) the terms and conditions of the State law which apply to claims for regular compensation and to the payment thereof shall apply to claims for temporary extended unemployment compensation and the payment thereof, except—

(A) that an individual shall not be eligible for temporary extended unemployment compensation under this title unless, in the base period with respect to which the individual exhausted all rights to regular compensation under the State law, the individual had 20 weeks of full-time insured employment or the equivalent in insured wages, as determined under the provisions of the State law implementing section 202(a)(5) of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note); and

(B) where otherwise inconsistent with the provisions of this title or with the regulations or operating instructions of the Secretary promulgated to carry out this title; and

(3) the maximum amount of temporary extended unemployment compensation payable to any individual for whom a temporary extended unemployment compensation account is established under section 203 shall not exceed the amount established in such account for such individual.

(e) ELECTION BY STATES.—Notwithstanding any other provision of Federal law (and if State law permits), the Governor of a State that is in an extended benefit period may provide for the payment of temporary extended unemployment compensation in lieu of extended compensation to individuals who otherwise meet the requirements of this section. Such an election shall not require a State to trigger off an extended benefit period.

SEC. 203. TEMPORARY EXTENDED UNEMPLOYMENT COMPENSATION ACCOUNT.

(a) IN GENERAL.—Any agreement under this title shall provide that the State will establish, for each eligible individual who files an application for temporary extended unemployment compensation, a temporary extended unemployment compensation account with respect to such individual's benefit year.

(b) AMOUNT IN ACCOUNT.—

(1) IN GENERAL.—The amount established in an account under subsection (a) shall be equal to the lesser of—

(A) 50 percent of the total amount of regular compensation (including dependents' allowances) payable to the individual during the individual's benefit year under such law, or

(B) 13 times the individual's average weekly benefit amount for the benefit year.

(2) WEEKLY BENEFIT AMOUNT.—For purposes of this subsection, an individual's weekly benefit amount for any week is the amount of regular compensation (including dependents' allowances) under the State law payable to such individual for such week for total unemployment.

(c) SPECIAL RULE.—

(1) IN GENERAL.—Notwithstanding any other provision of this section, if, at the time that the individual's account is exhausted, such individual's State is in an extended benefit period (as determined under paragraph (2)), then, such account shall be augmented by an amount equal to the amount originally established in such account (as determined under subsection (b)(1)).

(2) EXTENDED BENEFIT PERIOD.—For purposes of paragraph (1), a State shall be considered to be in an extended benefit period if, at the time of exhaustion (as described in paragraph (1))—

(A) such a period is then in effect for such State under the Federal-State Extended Unemployment Compensation Act of 1970; or

(B) such a period would then be in effect for such State under such Act if section 203(d) of such Act were applied as if it had been amended by striking ''5'' each place it appears and inserting ''4''.

SEC. 204. PAYMENTS TO STATES HAVING AGREEMENTS FOR THE PAYMENT OF TEMPORARY EXTENDED UNEMPLOYMENT COMPENSATION.

(a) GENERAL RULE.—There shall be paid to each State that has entered into an agreement under this title an amount equal to 100 percent of the temporary extended unemployment compensation paid to individuals by the State pursuant to such agreement.

(b) TREATMENT OF REIMBURSABLE COMPENSATION.—No payment shall be made to any State under this section in respect of any compensation to the extent the State is entitled to reimbursement in respect of such compensation under the provisions of any Federal law other than this title or chapter 85 of title 5, United States Code. A State shall not be entitled to any reimbursement under such chapter 85 in respect of any compensation to the extent the State is entitled to reimbursement under this title in respect of such compensation.

(c) DETERMINATION OF AMOUNT.—Sums payable to any State by reason of such State having an agreement under this title shall be payable, either in advance or by way of reimbursement (as may be determined by the Secretary), in such amounts as the Secretary estimates the State will be entitled to receive under this title for each calendar month, reduced or increased, as the case may be, by any amount by which the Secretary finds that the Secretary's estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made on the basis of such statistical, sampling, or other method as may be agreed upon by the Secretary and the State agency of the State involved.

SEC. 205. FINANCING PROVISIONS.

(a) IN GENERAL.—Funds in the extended unemployment compensation account (as established by section 905(a) of the Social Security Act (42 U.S.C. 1105(a)) of the Unemployment Trust Fund (as established by section 904(a) of such Act (42 U.S.C. 1104(a)) shall be used for the making of payments to States having agreements entered into under this title.

(b) CERTIFICATION.—The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State the sums payable to such State under this title. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payments to the State in accordance with such certification, by transfers from the extended unemployment compensation account (as so established) to the account of such State in the Unemployment Trust Fund (as so established).

(c) ASSISTANCE TO STATES.—There are appropriated out of the employment security administration account (as established by section 901(a) of the Social Security Act (42 U.S.C. 1101(a)) of the Unemployment Trust Fund, without fiscal year limitation, such funds as may be necessary for purposes of assisting States (as provided in title III of the Social Security Act (42 U.S.C. 501 et seq.)) in meeting the costs of administration of agreements under this title.

(d) APPROPRIATIONS FOR CERTAIN PAYMENTS.—There are appropriated from the general fund of the Treasury, without fiscal year limitation, to the extended unemployment compensation account (as so established) of the Unemployment Trust Fund (as so established) such sums as the Secretary estimates to be necessary to make the payments under this section in respect of—

(1) compensation payable under chapter 85 of title 5, United States Code; and

(2) compensation payable on the basis of services to which section 3309(a)(1) of the Internal Revenue Code of 1986 applies.

Amounts appropriated pursuant to the preceding sentence shall not be required to be repaid.

SEC. 206. FRAUD AND OVERPAYMENTS.

(a) IN GENERAL.—If an individual knowingly has made, or caused to be made by another, a false statement or representation of a material fact, or knowingly has failed, or caused another to fail, to disclose a material fact, and as a result of such false statement or representation or of such nondisclosure such individual has received an amount of temporary extended unemployment compensation under this title to which he was not entitled, such individual—

(1) shall be ineligible for further temporary extended unemployment compensation under this title in accordance with the provisions of the applicable State unemployment compensation law relating to fraud in connection with a claim for unemployment compensation; and

(2) shall be subject to prosecution under section 1001 of title 18, United States Code.

(b) REPAYMENT.—In the case of individuals who have received amounts of temporary extended unemployment compensation under this title to which they were not entitled, the State shall require such individuals to repay the amounts of such temporary extended unemployment compensation to the State agency, except that the State agency may waive such repayment if it determines that—

(1) the payment of such temporary extended unemployment compensation was without fault on the part of any such individual; and

(2) such repayment would be contrary to equity and good conscience.

(c) RECOVERY BY STATE AGENCY.—

(1) IN GENERAL.—The State agency may recover the amount to be repaid, or any part thereof, by deductions from any temporary extended unemployment compensation payable to such individual under this title or from any unemployment compensation payable to such individual under any Federal unemployment compensation law administered by the State agency or under any other Federal law administered by the State agency which provides for the payment of any assistance or allowance with respect to any week of unemployment, during the 3-year period after the date such individuals received the payment of the temporary extended unemployment compensation to which they were not entitled, except that no single deduction may exceed 50 percent of the weekly benefit amount from which such deduction is made.

(2) OPPORTUNITY FOR HEARING.—No repayment shall be required, and no deduction shall be made, until a determination has been made, notice thereof and an opportunity for a fair hearing has been given to the individual, and the determination has become final.

(d) REVIEW.—Any determination by a State agency under this section shall be subject to review in the same manner and to the same extent as determinations under the State unemployment compensation law, and only in that manner and to that extent.

SEC. 207. DEFINITIONS.

In this title, the terms ''compensation'', ''regular compensation'', ''extended compensation'', ''additional compensation'', ''benefit year'', ''base period'', ''State'', ''State agency'', ''State law'', and ''week'' have the respective meanings given such terms under section 205 of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note).

SEC. 208. APPLICABILITY.

An agreement entered into under this title shall apply to weeks of unemployment—

(1) beginning after the date on which such agreement is entered into; and

(2) ending before January 1, 2003.

SEC. 209. SPECIAL REED ACT TRANSFER IN FISCAL YEAR 2002.

(a) REPEAL OF CERTAIN PROVISIONS ADDED BY THE BALANCED BUDGET ACT OF 1997.—

(1) IN GENERAL.—The following provisions of section 903 of the Social Security Act (42 U.S.C. 1103) are repealed:

(A) Paragraph (3) of subsection (a).

(B) The last sentence of subsection (c)(2).

(2) SAVINGS PROVISION.—Any amounts transferred before the date of enactment of this Act under the provision repealed by paragraph (1)(A) shall remain subject to section 903 of the Social Security Act, as last in effect before such date of enactment.

(b) SPECIAL TRANSFER IN FISCAL YEAR 2002.—Section 903 of the Social Security Act is amended by adding at the end the following:

''Special Transfer in Fiscal Year 2002

''(d)(1) The Secretary of the Treasury shall transfer (as of the date determined under paragraph (5)) from the Federal unemployment account to the account of each State in the Unemployment Trust Fund the amount determined with respect to such State under paragraph (2).

''(2)(A) The amount to be transferred under this subsection to a State account shall (as determined by the Secretary of Labor and certified by such Secretary to the Secretary of the Treasury) be equal to—

''(i) the amount which would have been required to have been transferred under this section to such account at the beginning of fiscal year 2002 if—

''(I) section 209(a)(1) of the Temporary Extended Unemployment Compensation Act of 2002 had been enacted before the close of fiscal year 2001, and

''(II) section 5402 of Public Law 105–33 (relating to increase in Federal unemployment account ceiling) had not been enacted,

minus

''(ii) the amount which was in fact transferred under this section to such account at the beginning of fiscal year 2002.

''(B) Notwithstanding the provisions of subparagraph (A)—

''(i) the aggregate amount transferred to the States under this subsection may not exceed a total of $8,000,000,000; and

''(ii) all amounts determined under subparagraph (A) shall be reduced ratably, if and to the extent necessary in order to comply with the limitation under clause (i).

''(3)(A) Except as provided in paragraph (4), amounts transferred to a State account pursuant to this subsection may be used only in the payment of cash benefits—

''(i) to individuals with respect to their unemployment, and

''(ii) which are allowable under subparagraph (B) or (C).

''(B)(i) At the option of the State, cash benefits under this paragraph may include amounts which shall be payable as—

''(I) regular compensation, or

''(II) additional compensation, upon the exhaustion of any temporary extended unemployment compensation (if such State has entered into an agreement under the Temporary Extended Unemployment Compensation Act of 2002), for individuals eligible for regular compensation under the unemployment compensation law of such State.

''(ii) Any additional compensation under clause (i) may not be taken into account for purposes of any determination relating to the amount of any extended compensation for which an individual might be eligible.

''(C)(i) At the option of the State, cash benefits under this paragraph may include amounts which shall be payable to 1 or more categories of individuals not otherwise eligible for regular compensation under the unemployment compensation law of such State, including those described in clause (iii).

''(ii) The benefits paid under this subparagraph to any individual may not, for any period of unemployment, exceed the maximum amount of regular compensation authorized under the unemployment compensation law of such State for that same period, plus any additional compensation (described in subparagraph (B)(i)) which could have been paid with respect to that amount.

''(iii) The categories of individuals described in this clause include the following:

''(I) Individuals who are seeking, or available for, only part-time (and not full-time) work.

''(II) Individuals who would be eligible for regular compensation under the unemployment compensation law of such State under an alternative base period.

''(D) Amounts transferred to a State account under this subsection may be used in the payment of cash benefits to individuals only for weeks of unemployment beginning after the date of enactment of this subsection.

''(4) Amounts transferred to a State account under this subsection may be used for the administration of its unemployment compensation law and public employment offices (including in connection with benefits described in paragraph (3) and any recipients thereof), subject to the same conditions as set forth in subsection (c)(2) (excluding subparagraph (B) thereof, and deeming the reference to 'subsections (a) and (b)' in subparagraph (D) thereof to include this subsection).

''(5) Transfers under this subsection shall be made within 10 days after the date of enactment of this paragraph.''.

(c) LIMITATIONS ON TRANSFERS.—Section 903(b) of the Social Security Act shall apply to transfers under section 903(d) of such Act (as amended by this section). For purposes of the preceding sentence, such section 903(b) shall be deemed to be amended as follows:

(1) By substituting ''the transfer date described in subsection (d)(5)'' for ''October 1 of any fiscal year''.

(2) By substituting ''remain in the Federal unemployment account'' for ''be transferred to the Federal unemployment account as of the beginning of such October 1''.

(3) By substituting ''fiscal year 2002 (after the transfer date described in subsection (d)(5))'' for ''the fiscal year beginning on such October 1''.

(4) By substituting ''under subsection (d)'' for ''as of October 1 of such fiscal year''.

(5) By substituting ''(as of the close of fiscal year 2002)'' for ''(as of the close of such fiscal year)''.

(d) TECHNICAL AMENDMENTS.—(1) Sections 3304(a)(4)(B) and 3306(f)(2) of the Internal Revenue Code of 1986 are amended by inserting ''or 903(d)(4)'' before ''of the Social Security Act''.

(2) Section 303(a)(5) of the Social Security Act is amended in the second proviso by inserting ''or 903(d)(4)'' after ''903(c)(2)''.

(e) REGULATIONS.—The Secretary of Labor may prescribe any operating instructions or regulations necessary to carry out this section and the amendments made by this section.

TITLE III—TAX INCENTIVES FOR NEW YORK CITY AND DISTRESSED AREAS

SEC. 301. TAX BENEFITS FOR AREA OF NEW YORK CITY DAMAGED IN TERRORIST ATTACKS ON SEPTEMBER 11, 2001.

(a) IN GENERAL.—Chapter 1 is amended by adding at the end the following new subchapter:

''Subchapter Y—New York Liberty Zone Benefits

''SEC. 1400L. TAX BENEFITS FOR NEW YORK LIBERTY ZONE.

''(a) EXPANSION OF WORK OPPORTUNITY TAX CREDIT.—

''(1) IN GENERAL.—For purposes of section 51, a New York Liberty Zone business employee shall be treated as a member of a targeted group.

''(2) NEW YORK LIBERTY ZONE BUSINESS EMPLOYEE.—For purposes of this subsection—

''(A) IN GENERAL.—The term 'New York Liberty Zone business employee' means, with respect to any period, any employee of a New York Liberty Zone business if substantially all the services performed during such period by such employee for such business are performed in the New York Liberty Zone.

''(B) INCLUSION OF CERTAIN EMPLOYEES OUTSIDE THE NEW YORK LIBERTY ZONE.—

''(i) IN GENERAL.—In the case of a New York Liberty Zone business described in subclause (II) of subparagraph (C)(i), the term 'New York Liberty Zone business employee' includes any employee of such business (not described in subparagraph (A)) if substantially all the services performed during such period by such employee for such business are performed in the City of New York, New York.

''(ii) LIMITATION.—The number of employees of such a business that are treated as New York Liberty zone business employees on any day by reason of clause (i) shall not exceed the excess of—

''(I) the number of employees of such business on September 11, 2001, in the New York Liberty Zone, over

''(II) the number of New York Liberty Zone business employees (determined without regard to this subparagraph) of such business on the day to which the limitation is being applied.

The Secretary may require any trade or business to have the number determined under subclause (I) verified by the New York State Department of Labor.

''(C) NEW YORK LIBERTY ZONE BUSINESS.—

''(i) IN GENERAL.—The term 'New York Liberty Zone business' means any trade or business which is—

''(I) located in the New York Liberty Zone, or

''(II) located in the City of New York, New York, outside the New York Liberty Zone, as a result of the physical destruction or damage of such place of business by the September 11, 2001, terrorist attack.

''(ii) CREDIT NOT ALLOWED FOR LARGE BUSINESSES.—The term 'New York Liberty Zone business' shall not include any trade or business for any taxable year if such trade or business employed an average of more than 200 employees on business days during the taxable year.

''(D) SPECIAL RULES FOR DETERMINING AMOUNT OF CREDIT.—For purposes of applying subpart F of part IV of subchapter B of this chapter to wages paid or incurred to any New York Liberty Zone business employee—

''(i) section 51(a) shall be applied by substituting 'qualified wages' for 'qualified first-year wages',

''(ii) the rules of section 52 shall apply for purposes of determining the number of employees under subparagraph (B),

''(iii) subsections (c)(4) and (i)(2) of section 51 shall not apply, and

''(iv) in determining qualified wages, the following shall apply in lieu of section 51(b):

''(I) QUALIFIED WAGES.—The term 'qualified wages' means wages paid or incurred by the employer to individuals who are New York Liberty Zone business employees of such employer for work performed during calendar year 2002 or 2003.

''(II) ONLY FIRST $6,000 OF WAGES PER CALENDAR YEAR TAKEN INTO ACCOUNT.—The amount of the qualified wages which may be taken into account with respect to any individual shall not exceed $6,000 per calendar year.

''(b) SPECIAL ALLOWANCE FOR CERTAIN PROPERTY ACQUIRED AFTER SEPTEMBER 10, 2001.—

''(1) ADDITIONAL ALLOWANCE.—In the case of any qualified New York Liberty Zone property—

''(A) the depreciation deduction provided by section 167(a) for the taxable year in which such property is placed in service shall include an allowance equal to 30 percent of the adjusted basis of such property, and

''(B) the adjusted basis of the qualified New York Liberty Zone property shall be reduced by the amount of such deduction before computing the amount otherwise allowable as a depreciation deduction under this chapter for such taxable year and any subsequent taxable year.

''(2) QUALIFIED NEW YORK LIBERTY ZONE PROPERTY.—For purposes of this subsection—

''(A) IN GENERAL.—The term 'qualified New York Liberty Zone property' means property—

''(i)(I) which is described in section 168(k)(2)(A)(i), or

''(II) which is nonresidential real property, or residential rental property, which is described in subparagraph (B),

''(ii) substantially all of the use of which is in the New York Liberty Zone and is in the active conduct of a trade or business by the taxpayer in such Zone,

''(iii) the original use of which in the New York Liberty Zone commences with the taxpayer after September 10, 2001,

''(iv) which is acquired by the taxpayer by purchase (as defined in section 179(d)) after September 10, 2001, but only if no written binding contract for the acquisition was in effect before September 11, 2001, and

''(v) which is placed in service by the taxpayer on or before the termination date.

The term 'termination date' means December 31, 2006 (December 31, 2009, in the case of nonresidential real property and residential rental property).

''(B) ELIGIBLE REAL PROPERTY.—Nonresidential real property or residential rental property is described in this subparagraph only to the extent it rehabilitates real property damaged, or replaces real property destroyed or condemned, as a result of the September 11, 2001, terrorist attack. For purposes of the preceding sentence, property shall be treated as replacing real property destroyed or condemned if, as part of an integrated plan, such property replaces real property which is included in a continuous area which includes real property destroyed or condemned.

''(C) EXCEPTIONS.—

''(i) 30 PERCENT ADDITIONAL ALLOWANCE PROPERTY.—Such term shall not include property to which section 168(k) applies.

''(ii) ALTERNATIVE DEPRECIATION PROPERTY.—The term 'qualified New York Liberty Zone property' shall not include any property described in section 168(k)(2)(C)(i).

''(iii) QUALIFIED NEW YORK LIBERTY ZONE LEASEHOLD IMPROVEMENT PROPERTY.—Such term shall not include any qualified New York Liberty Zone leasehold improvement property.

''(iv) ELECTION OUT.—For purposes of this subsection, rules similar to the rules of section 168(k)(2)(C)(iii) shall apply.

''(D) SPECIAL RULES.—For purposes of this subsection, rules similar to the rules of section 168(k)(2)(D) shall apply, except that clause (i) thereof shall be applied without regard to 'and before September 11, 2004'.

''(E) ALLOWANCE AGAINST ALTERNATIVE MINIMUM TAX.—For purposes of this subsection, rules similar to the rules of section 168(k)(2)(F) shall apply.

''(c) 5-YEAR RECOVERY PERIOD FOR DEPRECIATION OF CERTAIN LEASEHOLD IMPROVEMENTS.—

''(1) IN GENERAL.—For purposes of section 168, the term '5-year property' includes any qualified New York Liberty Zone leasehold improvement property.

''(2) QUALIFIED NEW YORK LIBERTY ZONE LEASEHOLD IMPROVEMENT PROPERTY.—For purposes of this section, the term 'qualified New York Liberty Zone leasehold improvement property' means qualified leasehold improvement property (as defined in section 168(k)(3)) if—

''(A) such building is located in the New York Liberty Zone,

''(B) such improvement is placed in service after September 10, 2001, and before January 1, 2007, and

''(C) no written binding contract for such improvement was in effect before September 11, 2001.

''(3) REQUIREMENT TO USE STRAIGHT LINE METHOD.—The applicable depreciation method under section 168 shall be the straight line method in the case of qualified New York Liberty Zone leasehold improvement property.

''(4) 9-YEAR RECOVERY PERIOD UNDER ALTERNATIVE SYSTEM.—For purposes of section 168(g), the class life of qualified New York Liberty Zone leasehold improvement property shall be 9 years.

''(d) TAX-EXEMPT BOND FINANCING.—

''(1) IN GENERAL.—For purposes of this title, any qualified New York Liberty Bond shall be treated as an exempt facility bond.

''(2) QUALIFIED NEW YORK LIBERTY BOND.—For purposes of this subsection, the term 'qualified New York Liberty Bond' means any bond issued as part of an issue if—

''(A) 95 percent or more of the net proceeds (as defined in section 150(a)(3)) of such issue are to be used for qualified project costs,

''(B) such bond is issued by the State of New York or any political subdivision thereof,

''(C) the Governor or the Mayor designates such bond for purposes of this section, and

''(D) such bond is issued after the the date of the enactment of this section and before January 1, 2005.

''(3) LIMITATIONS ON AMOUNT OF BONDS.—

''(A) AGGREGATE AMOUNT DESIGNATED.—The maximum aggregate face amount of bonds which may be designated under this subsection shall not exceed $8,000,000,000, of which not to exceed $4,000,000,000 may be designated by the Governor and not to exceed $4,000,000,000 may be designated by the Mayor.

''(B) SPECIFIC LIMITATIONS.—The aggregate face amount of bonds issued which are to be used for—

''(i) costs for property located outside the New York Liberty Zone shall not exceed $2,000,000,000,

''(ii) residential rental property shall not exceed $1,600,000,000, and

''(iii) costs with respect to property used for retail sales of tangible property and functionally related and subordinate property shall not exceed $800,000,000.

The limitations under clauses (i), (ii), and (iii) shall be allocated proportionately between the bonds designated by the Governor and the bonds designated by the Mayor in proportion to the respective amounts of bonds designated by each.

''(C) MOVABLE PROPERTY.—No bonds shall be issued which are to be used for movable fixtures and equipment.

''(4) QUALIFIED PROJECT COSTS.—For purposes of this subsection—

''(A) IN GENERAL.—The term 'qualified project costs' means the cost of acquisition, construction, reconstruction, and renovation of—

''(i) nonresidential real property and residential rental property (including fixed tenant improvements associated with such property) located in the New York Liberty Zone, and

''(ii) public utility property (as defined in section 168(i)(10)) located in the New York Liberty Zone.

''(B) COSTS FOR CERTAIN PROPERTY OUTSIDE ZONE INCLUDED.—Such term includes the cost of acquisition, construction, reconstruction, and renovation of nonresidential real property (including fixed tenant improvements associated with such property) located outside the New York Liberty Zone but within the City of New York, New York, if such property is part of a project which consists of at least 100,000 square feet of usable office or other commercial space located in a single building or multiple adjacent buildings.

''(5) SPECIAL RULES.—In applying this title to any qualified New York Liberty Bond, the following modifications shall apply:

''(A) Section 146 (relating to volume cap) shall not apply.

''(B) Section 147(d) (relating to acquisition of existing property not permitted) shall be applied by substituting '50 percent' for '15 percent' each place it appears.

''(C) Section 148(f)(4)(C) (relating to exception from rebate for certain proceeds to be used to finance construction expenditures) shall apply to the available construction proceeds of bonds issued under this section.

''(D) Repayments of principal on financing provided by the issue—

''(i) may not be used to provide financing, and

''(ii) must be used not later than the close of the 1st semiannual period beginning after the date of the repayment to redeem bonds which are part of such issue.

The requirement of clause (ii) shall be treated as met with respect to amounts received within 10 years after the date of issuance of the issue (or, in the case of a refunding bond, the date of issuance of the original bond) if such amounts are used by the close of such 10 years to redeem bonds which are part of such issue.

''(E) Section 57(a)(5) shall not apply.

''(6) SEPARATE ISSUE TREATMENT OF PORTIONS OF AN ISSUE.—This subsection shall not apply to the portion of an issue which (if issued as a separate issue) would be treated as a qualified bond or as a bond that is not a private activity bond (determined without regard to paragraph (1)), if the issuer elects to so treat such portion.

''(e) ADVANCE REFUNDINGS OF CERTAIN TAX-EXEMPT BONDS.—

''(1) IN GENERAL.—With respect to a bond described in paragraph (2) issued as part of an issue 90 percent (95 percent in the case of a bond described in paragraph (2)(C)) or more of the net proceeds (as defined in section 150(a)(3)) of which were used to finance facilities located within the City of New York, New York (or property which is functionally related and subordinate to facilities located within the City of New York for the furnishing of water), one additional advanced refunding after the date of the enactment of this section and before January 1, 2005, shall be allowed under the applicable rules of section 149(d) if—

''(A) the Governor or the Mayor designates the advance refunding bond for purposes of this subsection, and

''(B) the requirements of paragraph (4) are met.

''(2) BONDS DESCRIBED.—A bond is described in this paragraph if such bond was outstanding on September 11, 2001, and is—

''(A) a State or local bond (as defined in section 103(c)(1)) which is a general obligation of the City of New York, New York,

''(B) a State or local bond (as so defined) other than a private activity bond (as defined in section 141(a)) issued by the New York Municipal Water Finance Authority or the Metropolitan Transportation Authority of the State of New York, or

''(C) a qualified 501(c)(3) bond (as defined in section 145(a)) which is a qualified hospital bond (as defined in section 145(c)) issued by or on behalf of the State of New York or the City of New York, New York.

''(3) AGGREGATE LIMIT.—For purposes of paragraph (1), the maximum aggregate face amount of bonds which may be designated under this subsection by the Governor shall not exceed $4,500,000,000 and the maximum aggregate face amount of bonds which may be designated under this subsection by the Mayor shall not exceed $4,500,000,000.

''(4) ADDITIONAL REQUIREMENTS.—The requirements of this paragraph are met with respect to any advance refunding of a bond described in paragraph (2) if—

''(A) no advance refundings of such bond would be allowed under any provision of law after September 11, 2001,

''(B) the advance refunding bond is the only other outstanding bond with respect to the refunded bond, and

''(C) the requirements of section 148 are met with respect to all bonds issued under this subsection.

''(f) INCREASE IN EXPENSING UNDER SECTION 179.—

''(1) IN GENERAL.—For purposes of section 179—

''(A) the limitation under section 179(b)(1) shall be increased by the lesser of—

''(i) $35,000, or

''(ii) the cost of section 179 property which is qualified New York Liberty Zone property

placed in service during the taxable year, and

''(B) the amount taken into account under section 179(b)(2) with respect to any section 179 property which is qualified New York Liberty Zone property shall be 50 percent of the cost thereof.

''(2) QUALIFIED NEW YORK LIBERTY ZONE PROPERTY.—For purposes of this subsection, the term 'qualified New York Liberty Zone property' has the meaning given such term by subsection (b)(2).

''(3) RECAPTURE.—Rules similar to the rules under section 179(d)(10) shall apply with respect to any qualified New York Liberty Zone property which ceases to be used in the New York Liberty Zone.

''(g) EXTENSION OF REPLACEMENT PERIOD FOR NONRECOGNITION OF GAIN.—Notwithstanding subsections (g) and (h) of section 1033, clause (i) of section 1033(a)(2)(B) shall be applied by substituting '5 years' for '2 years' with respect to property which is compulsorily or involuntarily converted as a result of the terrorist attacks on September 11, 2001, in the New York Liberty Zone but only if substantially all of the use of the replacement property is in the City of New York, New York.

''(h) NEW YORK LIBERTY ZONE.—For purposes of this section, the term 'New York Liberty Zone' means the area located on or south of Canal Street, East Broadway (east of its intersection with Canal Street), or Grand Street (east of its intersection with East Broadway) in the Borough of Manhattan in the City of New York, New York.

''(i) REFERENCES TO GOVERNOR AND MAYOR.—For purposes of this section, the terms 'Governor' and 'Mayor' mean the Governor of the State of New York and the Mayor of the City of New York, New York, respectively.''.

(b) CREDIT ALLOWED AGAINST REGULAR AND MINIMUM TAX.—

(1) IN GENERAL.—Subsection (c) of section 38 (relating to limitation based on amount of tax) is amended by redesignating paragraph (3) as paragraph (4) and by inserting after paragraph (2) the following new paragraph:

''(3) SPECIAL RULES FOR NEW YORK LIBERTY ZONE BUSINESS EMPLOYEE CREDIT.—

''(A) IN GENERAL.—In the case of the New York Liberty Zone business employee credit—

''(i) this section and section 39 shall be applied separately with respect to such credit, and

''(ii) in applying paragraph (1) to such credit—

''(I) the tentative minimum tax shall be treated as being zero, and

''(II) the limitation under paragraph (1) (as modified by subclause (I)) shall be reduced by the credit allowed under subsection (a) for the taxable year (other than the New York Liberty Zone business employee credit).

''(B) NEW YORK LIBERTY ZONE BUSINESS EMPLOYEE CREDIT.—For purposes of this subsection, the term 'New York Liberty Zone business employee credit' means the portion of work opportunity credit under section 51 determined under section 1400L(a).''.

(2) CONFORMING AMENDMENT.—Subclause (II) of section 38(c)(2)(A)(ii) is amended by inserting ''or the New York Liberty Zone business employee credit'' after ''employment credit''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to taxable years ending after December 31, 2001.

(c) CLERICAL AMENDMENT.—The table of subchapters for chapter 1 is amended by adding at the end the following new item:

''Subchapter Y—New York Liberty Zone Benefits.''.

TITLE IV—MISCELLANEOUS AND TECHNICAL PROVISIONS

Subtitle A—General Miscellaneous Provisions

SEC. 401. ALLOWANCE OF ELECTRONIC 1099'S.

Any person required to furnish a statement under any section of subpart B of part III of subchapter A of chapter 61 of the Internal Revenue Code of 1986 for any taxable year ending after the date of the enactment of this Act, may electronically furnish such statement (without regard to any first class mailing requirement) to any recipient who has consented to the electronic provision of the statement in a manner similar to the one permitted under regulations issued under section 6051 of such Code or in such other manner as provided by the Secretary.

SEC. 402. EXCLUDED CANCELLATION OF INDEBTEDNESS INCOME OF S CORPORATION NOT TO RESULT IN ADJUSTMENT TO BASIS OF STOCK OF SHAREHOLDERS.

(a) IN GENERAL.—Subparagraph (A) of section 108(d)(7) (relating to certain provisions to be applied at corporate level) is amended by inserting before the period '', including by not taking into account under section 1366(a) any amount excluded under subsection (a) of this section''.

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendment made by this section shall apply to discharges of indebtedness after October 11, 2001, in taxable years ending after such date.

(2) EXCEPTION.—The amendment made by this section shall not apply to any discharge of indebtedness before March 1, 2002, pursuant to a plan of reorganization filed with a bankruptcy court on or before October 11, 2001.

SEC. 403. LIMITATION ON USE OF NONACCRUAL EXPERIENCE METHOD OF ACCOUNTING.

(a) IN GENERAL.—Paragraph (5) of section 448(d) is amended to read as follows:

''(5) SPECIAL RULE FOR CERTAIN SERVICES.—

''(A) IN GENERAL.—In the case of any person using an accrual method of accounting with respect to amounts to be received for the performance of services by such person, such person shall not be required to accrue any portion of such amounts which (on the basis of such person's experience) will not be collected if—

''(i) such services are in fields referred to in paragraph (2)(A), or

''(ii) such person meets the gross receipts test of subsection (c) for all prior taxable years.

''(B) EXCEPTION.—This paragraph shall not apply to any amount if interest is required to be paid on such amount or there is any penalty for failure to timely pay such amount.

''(C) REGULATIONS.—The Secretary shall prescribe regulations to permit taxpayers to determine amounts referred to in subparagraph (A) using computations or formulas which, based on experience, accurately reflect the amount of income that will not be collected by such person. A taxpayer may adopt, or request consent of the Secretary to change to, a computation or formula that clearly reflects the taxpayer's experience. A request under the preceding sentence shall be approved if such computation or formula clearly reflects the taxpayer's experience.''.

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

(2) CHANGE IN METHOD OF ACCOUNTING.—In the case of any taxpayer required by the amendments made by this section to change its method of accounting for its first taxable year ending after the date of the enactment of this Act—

(A) such change shall be treated as initiated by the taxpayer,

(B) such change shall be treated as made with the consent of the Secretary of the Treasury, and

(C) the net amount of the adjustments required to be taken into account by the taxpayer under section 481 of the Internal Revenue Code of 1986 shall be taken into account over a period of 4 years (or if less, the number of taxable years that the taxpayer used the method permitted under section 448(d)(5) of such Code as in effect before the date of the enactment of this Act) beginning with such first taxable year.

SEC. 404. EXCLUSION FOR FOSTER CARE PAYMENTS TO APPLY TO PAYMENTS BY QUALIFIED PLACEMENT AGENCIES.

(a) IN GENERAL.—The matter preceding subparagraph (B) of section 131(b)(1) (defining qualified foster care payment) is amended to read as follows:

''(1) IN GENERAL.—The term 'qualified foster care payment' means any payment made pursuant to a foster care program of a State or political subdivision thereof—

''(A) which is paid by—

''(i) a State or political subdivision thereof, or

''(ii) a qualified foster care placement agency, and''.

(b) QUALIFIED FOSTER INDIVIDUALS TO INCLUDE INDIVIDUALS PLACED BY QUALIFIED PLACEMENT AGENCIES.—Subparagraph (B) of section 131(b)(2) (defining qualified foster individual) is amended to read as follows:

''(B) a qualified foster care placement agency.''.

(c) QUALIFIED FOSTER CARE PLACEMENT AGENCY DEFINED.—Subsection (b) of section 131 is amended by redesignating paragraph (3) as paragraph (4) and by inserting after paragraph (2) the following new paragraph:

''(3) QUALIFIED FOSTER CARE PLACEMENT AGENCY.—The term 'qualified foster care placement agency' means any placement agency which is licensed or certified by—

''(A) a State or political subdivision thereof, or

''(B) an entity designated by a State or political subdivision thereof,

for the foster care program of such State or political subdivision to make foster care payments to providers of foster care.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SEC. 405. INTEREST RATE RANGE FOR ADDITIONAL FUNDING REQUIREMENTS.

(a) AMENDMENTS TO THE INTERNAL REVENUE CODE OF 1986.—

(1) SPECIAL RULE.—Clause (i) of section 412(l)(7)(C) (relating to interest rate) is amended by adding at the end the following new subclause:

''(III) SPECIAL RULE FOR 2002 AND 2003.—For a plan year beginning in 2002 or 2003, notwithstanding subclause (I), in the case that the rate of interest used under subsection (b)(5) exceeds the highest rate permitted under subclause (I), the rate of interest used to determine current liability under this subsection may exceed the rate of interest otherwise permitted under subclause (I); except that such rate of interest shall not exceed 120 percent of the weighted average referred to in subsection (b)(5)(B)(ii).''.

(2) QUARTERLY CONTRIBUTIONS.—Subsection (m) of section 412 is amended by adding at the end the following new paragraph:

''(7) SPECIAL RULES FOR 2002 AND 2004.—In any case in which the interest rate used to determine current liability is determined under subsection (l)(7)(C)(i)(III)—

''(A) 2002.—For purposes of applying paragraphs (1) and (4)(B)(ii) for plan years beginning in 2002, the current liability for the preceding plan year shall be redetermined using 120 percent as the specified percentage determined under subsection (l)(7)(C)(i)(II).

''(B) 2004.—For purposes of applying paragraphs (1) and (4)(B)(ii) for plan years beginning in 2004, the current liability for the preceding plan year shall be redetermined using 105 percent as the specified percentage determined under subsection (l)(7)(C)(i)(II).''.

(b) AMENDMENTS TO THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.—

(1) SPECIAL RULE.—Clause (i) of section 302(d)(7)(C) of such Act (29 U.S.C. 1082(d)(7)(C)) is amended by adding at the end the following new subclause:

''(III) SPECIAL RULE FOR 2002 AND 2003.—For a plan year beginning in 2002 or 2003, notwithstanding subclause (I), in the case that the rate of interest used under subsection (b)(5) exceeds the highest rate permitted under subclause (I), the rate of interest used to determine current liability under this subsection may exceed the rate of interest otherwise permitted under subclause (I); except that such rate of interest shall not exceed 120 percent of the weighted average referred to in subsection (b)(5)(B)(ii).''.

(2) QUARTERLY CONTRIBUTIONS.—Subsection (e) of section 302 of such Act (29 U.S.C. 1082) is amended by adding at the end the following new paragraph:

''(7) SPECIAL RULES FOR 2002 AND 2004.—In any case in which the interest rate used to determine current liability is determined under subsection (d)(7)(C)(i)(III)—

''(A) 2002.—For purposes of applying paragraphs (1) and (4)(B)(ii) for plan years beginning in 2002, the current liability for the preceding plan year shall be redetermined using 120 percent as the specified percentage determined under subsection (d)(7)(C)(i)(II).

''(B) 2004.—For purposes of applying paragraphs (1) and (4)(B)(ii) for plan years beginning in 2004, the current liability for the preceding plan year shall be redetermined using 105 percent as the specified percentage determined under subsection (d)(7)(C)(i)(II).''.

(c) PBGC.—Clause (iii) of section 4006(a)(3)(E) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1306(a)(3)(E)) is amended by adding at the end the following new subclause:

''(IV) In the case of plan years beginning after December 31, 2001, and before January 1, 2004, subclause (II) shall be applied by substituting '100 percent' for '85 percent'. Subclause (III) shall be applied for such years without regard to the preceding sentence. Any reference to this clause by any other sections or subsections shall be treated as a reference to this clause without regard to this subclause.''.

SEC. 406. ADJUSTED GROSS INCOME DETERMINED BY TAKING INTO ACCOUNT CERTAIN EXPENSES OF ELEMENTARY AND SECONDARY SCHOOL TEACHERS.

(a) IN GENERAL.—Section 62(a)(2) (relating to certain trade and business deductions of employees) is amended by adding at the end the following:

''(D) CERTAIN EXPENSES OF ELEMENTARY AND SECONDARY SCHOOL TEACHERS.—In the case of taxable years beginning during 2002 or 2003, the deductions allowed by section 162 which consist of expenses, not in excess of $250, paid or incurred by an eligible educator in connection with books, supplies (other than nonathletic supplies for courses of instruction in health or physical education), computer equipment (including related software and services) and other equipment, and supplementary materials used by the eligible educator in the classroom.''.

(b) ELIGIBLE EDUCATOR.—Section 62 is amended by adding at the end the following:

''(d) DEFINITION; SPECIAL RULES.—

''(1) ELIGIBLE EDUCATOR.—

''(A) IN GENERAL.—For purposes of subsection (a)(2)(D), the term 'eligible educator' means, with respect to any taxable year, an individual who is a kindergarten through grade 12 teacher, instructor, counselor, principal, or aide in a school for at least 900 hours during a school year.

''(B) SCHOOL.—The term 'school' means any school which provides elementary education or secondary education (kindergarten through grade 12), as determined under State law.

''(2) COORDINATION WITH EXCLUSIONS.—A deduction shall be allowed under subsection (a)(2)(D) for expenses only to the extent the amount of such expenses exceeds the amount excludable under section 135, 529(c)(1), or 530(d)(2) for the taxable year.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

Subtitle B—Technical Corrections

SEC. 411. AMENDMENTS RELATED TO ECONOMIC GROWTH AND TAX RELIEF RECONCILIATION ACT OF 2001.

(a) AMENDMENTS RELATED TO SECTION 101 OF THE ACT.—

(1) IN GENERAL.—Subsection (b) of section 6428 is amended to read as follows:

''(b) CREDIT TREATED AS NONREFUNDABLE PERSONAL CREDIT.—For purposes of this title, the credit allowed under this section shall be treated as a credit allowable under subpart A of part IV of subchapter A of chapter 1.''.

(2) CONFORMING AMENDMENTS.—

(A) Subsection (d) of section 6428 is amended to read as follows:

''(d) COORDINATION WITH ADVANCE REFUNDS OF CREDIT.—

''(1) IN GENERAL.—The amount of credit which would (but for this paragraph) be allowable under this section shall be reduced (but not below zero) by the aggregate refunds and credits made or allowed to the taxpayer under subsection (e). Any failure to so reduce the credit shall be treated as arising out of a mathematical or clerical error and assessed according to section 6213(b)(1).

''(2) JOINT RETURNS.—In the case of a refund or credit made or allowed under subsection (e) with respect to a joint return, half of such refund or credit shall be treated as having been made or allowed to each individual filing such return.''.

(B) Paragraph (2) of section 6428(e) is amended to read as follows:

''(2) ADVANCE REFUND AMOUNT.—For purposes of paragraph (1), the advance refund amount is the amount that would have been allowed as a credit under this section for such first taxable year if—

''(A) this section (other than subsections (b) and (d) and this subsection) had applied to such taxable year, and

''(B) the credit for such taxable year were not allowed to exceed the excess (if any) of—

''(i) the sum of the regular tax liability (as defined in section 26(b)) plus the tax imposed by section 55, over

''(ii) the sum of the credits allowable under part IV of subchapter A of chapter 1 (other than the credits allowable under subpart C thereof, relating to refundable credits).''

(b) AMENDMENT RELATED TO SECTION 201 OF THE ACT.—Subparagraph (B) of section 24(d)(1) is amended by striking ''amount of credit allowed by this section'' and inserting ''aggregate amount of credits allowed by this subpart''.

(c) AMENDMENTS RELATED TO SECTION 202 OF THE ACT.—

(1) CORRECTIONS TO CREDIT FOR ADOPTION EXPENSES.—

(A) Paragraph (1) of section 23(a) is amended to read as follows:

''(1) IN GENERAL.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter the amount of the qualified adoption expenses paid or incurred by the taxpayer.''

(B) Subsection (a) of section 23 is amended by adding at the end the following new paragraph:

''(3) $10,000 CREDIT FOR ADOPTION OF CHILD WITH SPECIAL NEEDS REGARDLESS OF EXPENSES.—In the case of an adoption of a child with special needs which becomes final during a taxable year, the taxpayer shall be treated as having paid during such year qualified adoption expenses with respect to such adoption in an amount equal to the excess (if any) of $10,000 over the aggregate qualified adoption expenses actually paid or incurred by the taxpayer with respect to such adoption during such taxable year and all prior taxable years.''

(C) Paragraph (2) of section 23(a) is amended by striking the last sentence.

(D) Paragraph (1) of section 23(b) is amended by striking ''subsection (a)(1)(A)'' and inserting ''subsection (a)''.

(E) Subsection (i) of section 23 is amended by striking ''the dollar limitation in subsection (b)(1)'' and inserting ''the dollar amounts in subsections (a)(3) and (b)(1)''.

(F) Expenses paid or incurred during any taxable year beginning before January 1, 2002, may be taken into account in determining the credit under section 23 of the Internal Revenue Code of 1986 only to the extent the aggregate of such expenses does not exceed the applicable limitation under section 23(b)(1) of such Code as in effect on the day before the date of the enactment of the Economic Growth and Tax Relief Reconciliation Act of 2001.

(2) CORRECTIONS TO EXCLUSION FOR EMPLOYER-PROVIDED ADOPTION ASSISTANCE.—

(A) Subsection (a) of section 137 is amended to read as follows:

''(a) EXCLUSION.—

''(1) IN GENERAL.—Gross income of an employee does not include amounts paid or expenses incurred by the employer for qualified adoption expenses in connection with the adoption of a child by an employee if such amounts are furnished pursuant to an adoption assistance program.

''(2) $10,000 EXCLUSION FOR ADOPTION OF CHILD WITH SPECIAL NEEDS REGARDLESS OF EXPENSES.—In the case of an adoption of a child with special needs which becomes final during a taxable year, the qualified adoption expenses with respect to such adoption for such year shall be increased by an amount equal to the excess (if any) of $10,000 over the actual aggregate qualified adoption expenses with respect to such adoption during such taxable year and all prior taxable years.''

(B) Paragraph (2) of section 137(b) is amended by striking ''subsection (a)(1)'' and inserting ''subsection (a)''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to taxable years beginning after December 31, 2002; except that the amendments made by paragraphs (1)(C), (1)(D), and (2)(B) shall apply to taxable years beginning after December 31, 2001.

(d) AMENDMENTS RELATED TO SECTION 205 OF THE ACT.—

(1) Section 45F(d)(4)(B) is amended by striking ''subpart A, B, or D of this part'' and inserting ''this chapter or for purposes of section 55''.

(2) Section 38(b)(15) is amended by striking ''45F'' and inserting ''45F(a)''.

(e) AMENDMENTS RELATED TO SECTION 301 OF THE ACT.—

(1) Section 63(c)(2) is amended—

(A) in subparagraph (A), by striking ''subparagraph (C)'' and inserting ''subparagraph (D)'',

(B) by striking ''or'' at the end of subparagraph (B),

(C) by redesignating subparagraph (C) as subparagraph (D),

(D) by inserting after subparagraph (B) the following new subparagraph:

''(C) one-half of the amount in effect under subparagraph (A) in the case of a married individual filing a separate return, or'', and

(E) by inserting the following flush sentence at the end:

''If any amount determined under subparagraph (A) is not a multiple of $50, such amount shall be rounded to the next lowest multiple of $50.''

(2)(A) Section 63(c)(4) is amended by striking ''paragraph (2) or (5)'' and inserting ''paragraph (2)(B), (2)(D), or (5)''.

(B) Section 63(c)(4)(B)(i) is amended by striking ''paragraph (2)'' and inserting ''paragraph (2)(B), (2)(D),''.

(C) Section 63(c)(4) is amended by striking the flush sentence at the end (as added by section 301(c)(2) of Public Law 107–17).

(f) AMENDMENT RELATED TO SECTION 401 OF THE ACT.—Section 530(d)(4)(B)(iv) is amended by striking ''because the taxpayer elected under paragraph (2)(C) to waive the application of paragraph (2)'' and inserting ''by application of paragraph (2)(C)(i)(II)''.

(g) AMENDMENTS RELATED TO SECTION 511 OF THE ACT.—

(1) Section 2511(c) is amended by striking ''taxable gift under section 2503,'' and inserting ''transfer of property by gift,''.

(2) Section 2101(b) is amended by striking the last sentence.

(h) AMENDMENT RELATED TO SECTION 532 OF THE ACT.—Section 2016 is amended by striking ''any State, any possession of the United States, or the District of Columbia,''.

(i) AMENDMENTS RELATING TO SECTION 602 OF THE ACT.—

(1) Subparagraph (A) of section 408(q)(3) is amended to read as follows:

''(A) QUALIFIED EMPLOYER PLAN.—The term 'qualified employer plan' has the meaning given such term by section 72(p)(4)(A)(i); except that such term shall also include an eligible deferred compensation plan (as defined in section 457(b)) of an eligible employer described in section 457(e)(1)(A).''.

(2) Section 4(c) of Employee Retirement Income Security Act of 1974 is amended—

(A) by inserting ''and part 5 (relating to administration and enforcement)'' before the period at the end, and

(B) by adding at the end the following new sentence: ''Such provisions shall apply to such accounts and annuities in a manner similar to their application to a simplified employee pension under section 408(k) of the Internal Revenue Code of 1986.''.

(j) AMENDMENTS RELATING TO SECTION 611 OF THE ACT.—

(1) Section 408(k) is amended—

(A) in paragraph (2)(C) by striking ''$300'' and inserting ''$450'', and

(B) in paragraph (8) by striking ''$300'' both places it appears and inserting ''$450''.

(2) Section 409(o)(1)(C)(ii) is amended—

(A) by striking ''$500,000'' both places it appears and inserting ''$800,000'', and

(B) by striking ''$100,000'' and inserting ''$160,000''.

(3) Section 611(i) of the Economic Growth and Tax Relief Reconciliation Act of 2001 is amended by adding at the end the following new paragraph:

''(3) SPECIAL RULE.—In the case of plan that, on June 7, 2001, incorporated by reference the limitation of section 415(b)(1)(A) of the Internal Revenue Code of 1986, section 411(d)(6) of such Code and section 204(g)(1) of the Employee Retirement Income Security Act of 1974 do not apply to a plan amendment that—

''(A) is adopted on or before June 30, 2002,

''(B) reduces benefits to the level that would have applied without regard to the amendments made by subsection (a) of this section, and

''(C) is effective no earlier than the years described in paragraph (2).''.

(k) AMENDMENTS RELATING TO SECTION 613 OF THE ACT.—

(1) Section 416(c)(1)(C)(iii) is amended by striking ''EXCEPTION FOR FROZEN PLAN'' and inserting ''EXCEPTION FOR PLAN UNDER WHICH NO KEY EMPLOYEE (OR FORMER KEY EMPLOYEE) BENEFITS FOR PLAN YEAR''.

(2) Section 416(g)(3)(B) is amended by striking ''separation from service'' and inserting ''severance from employment''.

(l) AMENDMENTS RELATING TO SECTIONS 614 and 616 OF THE ACT.—

(1) Section 404(a)(12) is amended by striking ''(9),'' and inserting ''(9) and subsection (h)(1)(C),''.

(2) Section 404(n) is amended by striking ''subsection (a),'' and inserting ''subsection (a) or paragraph (1)(C) of subsection (h)''.

(3) Section 402(h)(2)(A) is amended by striking ''15 percent'' and inserting ''25 percent''.

(4) Section 404(a)(7)(C) is amended to read as follows:

''(C) PARAGRAPH NOT TO APPLY IN CERTAIN CASES.—

''(i) BENEFICIARY TEST.—This paragraph shall not have the effect of reducing the amount otherwise deductible under paragraphs (1), (2), and (3), if no employee is a beneficiary under more than 1 trust or under a trust and an annuity plan.

''(ii) ELECTIVE DEFERRALS.—If, in connection with 1 or more defined contribution plans and 1 or more defined benefit plans, no amounts (other than elective deferrals (as defined in section 402(g)(3))) are contributed to any of the defined contribution plans for the taxable year, then subparagraph (A) shall not apply with respect to any of such defined contribution plans and defined benefit plans.''.

(m) AMENDMENT RELATING TO SECTION 618 OF THE ACT.—Section 25B(d)(2)(A) is amended to read as follows:

''(A) IN GENERAL.—The qualified retirement savings contributions determined under paragraph (1) shall be reduced (but not below zero) by the aggregate distributions received by the individual during the testing period from any entity of a type to which contributions under paragraph (1) may be made. The preceding sentence shall not apply to the portion of any distribution which is not includible in gross income by reason of a trustee-to-trustee transfer or a rollover distribution.''.

(n) AMENDMENTS RELATING TO SECTION 619 OF THE ACT.—

(1) Section 45E(e)(1) is amended by striking ''(n)'' and inserting ''(m)''.

(2) Section 619(d) of the Economic Growth and Tax Relief Reconciliation Act of 2001 is amended by striking ''established'' and inserting ''first effective''.

(o) AMENDMENTS RELATING TO SECTION 631 OF THE ACT.—

(1) Section 402(g)(1) is amended by adding at the end the following:

''(C) CATCH-UP CONTRIBUTIONS.—In addition to subparagraph (A), in the case of an eligible participant (as defined in section 414(v)), gross income shall not include elective deferrals in excess of the applicable dollar amount under subparagraph (B) to the extent that the amount of such elective deferrals does not exceed the applicable dollar amount under section 414(v)(2)(B)(i) for the taxable year (without regard to the treatment of the elective deferrals by an applicable employer plan under section 414(v)).''.

(2) Section 401(a)(30) is amended by striking ''402(g)(1)'' and inserting ''402(g)(1)(A)''.

(3) Section 414(v)(2) is amended by adding at the end the following:

''(D) AGGREGATION OF PLANS.—For purposes of this paragraph, plans described in clauses (i), (ii), and (iv) of paragraph (6)(A) that are maintained by the same employer (as determined under subsection (b), (c), (m) or (o)) shall be treated as a single plan, and plans described in clause (iii) of paragraph (6)(A) that are maintained by the same employer shall be treated as a single plan.''.

(4) Section 414(v)(3)(A)(i) is amended by striking ''section 402(g), 402(h), 403(b), 404(a), 404(h), 408(k), 408(p), 415, or 457'' and inserting ''section 401(a)(30), 402(h), 403(b), 408, 415(c), and 457(b)(2) (determined without regard to section 457(b)(3))''.

(5) Section 414(v)(3)(B) is amended by striking ''section 401(a)(4), 401(a)(26), 401(k)(3), 401(k)(11), 401(k)(12), 403(b)(12), 408(k), 408(p), 408B, 410(b), or 416'' and inserting ''section 401(a)(4), 401(k)(3), 401(k)(11), 403(b)(12), 408(k), 410(b), or 416''.

(6) Section 414(v)(4)(B) is amended by inserting before the period at the end the following: '', except that a plan described in clause (i) of section 410(b)(6)(C) shall not be treated as a plan of the employer until the expiration of the transition period with respect to such plan (as determined under clause (ii) of such section)''.

(7) Section 414(v)(5) is amended—

(A) by striking '', with respect to any plan year,'' in the matter preceding subparagraph (A),

(B) by amending subparagraph (A) to read as follows:

''(A) who would attain age 50 by the end of the taxable year,'', and

(C) in subparagraph (B) by striking ''plan year'' and inserting ''plan (or other applicable) year''.

(8) Section 414(v)(6)(C) is amended to read as follows:

''(C) EXCEPTION FOR SECTION 457 PLANS.—This subsection shall not apply to a participant for any year for which a higher limitation applies to the participant under section 457(b)(3).''.

(9) Section 457(e) is amended by adding at the end the following new paragraph:

''(18) COORDINATION WITH CATCH-UP CONTRIBUTIONS FOR INDIVIDUALS AGE 50 OR OLDER.— In the case of an individual who is an eligible participant (as defined by section 414(v)) and who is a participant in an eligible deferred compensation plan of an employer described in paragraph (1)(A), subsections (b)(3) and (c) shall be applied by substituting for the amount otherwise determined under the applicable subsection the greater of—

''(A) the sum of—

''(i) the plan ceiling established for purposes of subsection (b)(2) (without regard to subsection (b)(3)), plus

''(ii) the applicable dollar amount for the taxable year determined under section 414(v)(2)(B)(i), or

''(B) the amount determined under the applicable subsection (without regard to this paragraph).''.

(p) AMENDMENTS RELATING TO SECTION 632 OF THE ACT.—

(1) Section 403(b)(1) is amended in the matter following subparagraph (E) by striking ''then amounts contributed'' and all that follows and inserting the following:

''then contributions and other additions by such employer for such annuity contract shall be excluded from the gross income of the employee for the taxable year to the extent that the aggregate of such contributions and additions (when expressed as an annual addition (within the meaning of section 415(c)(2))) does not exceed the applicable limit under section 415. The amount actually

distributed to any distributee under such contract shall be taxable to the distributee (in the year in which so distributed) under section 72 (relating to annuities). For purposes of applying the rules of this subsection to contributions and other additions by an employer for a taxable year, amounts transferred to a contract described in this paragraph by reason of a rollover contribution described in paragraph (8) of this subsection or section 408(d)(3)(A)(ii) shall not be considered contributed by such employer.''.

(2) Section 403(b) is amended by striking paragraph (6).

(3) Section 403(b)(3) is amended—

(A) in the first sentence by inserting the following before the period at the end: '', and which precedes the taxable year by no more than five years'', and

(B) in the second sentence by striking ''or any amount received by a former employee after the fifth taxable year following the taxable year in which such employee was terminated''.

(4) Section 415(c)(7) is amended to read as follows:

''(7) SPECIAL RULES RELATING TO CHURCH PLANS.—

''(A) ALTERNATIVE CONTRIBUTION LIMITATION.—

''(i) IN GENERAL.—Notwithstanding any other provision of this subsection, at the election of a participant who is an employee of a church or a convention or association of churches, including an organization described in section 414(e)(3)(B)(ii), contributions and other additions for an annuity contract or retirement income account described in section 403(b) with respect to such participant, when expressed as an annual addition to such participant's account, shall be treated as not exceeding the limitation of paragraph (1) if such annual addition is not in excess of $10,000.

''(ii) $40,000 AGGREGATE LIMITATION.—The total amount of additions with respect to any participant which may be taken into account for purposes of this subparagraph for all years may not exceed $40,000.

''(B) NUMBER OF YEARS OF SERVICE FOR DULY ORDAINED, COMMISSIONED, OR LICENSED MINISTERS OR LAY EMPLOYEES.—For purposes of this paragraph—

''(i) all years of service by—

''(I) a duly ordained, commissioned, or licensed minister of a church, or

''(II) a lay person,

as an employee of a church, a convention or association of churches, including an organization described in section 414(e)(3)(B)(ii), shall be considered as years of service for 1 employer, and

''(ii) all amounts contributed for annuity contracts by each such church (or convention or association of churches) or such organization during such years for such minister or lay person shall be considered to have been contributed by 1 employer.

''(C) FOREIGN MISSIONARIES.—In the case of any individual described in subparagraph (D) performing services outside the United States, contributions and other additions for an annuity contract or retirement income account described in section 403(b) with respect to such employee, when expressed as an annual addition to such employee's account, shall not be treated as exceeding the limitation of paragraph (1) if such annual addition is not in excess of the greater of $3,000 or the employee's includible compensation determined under section 403(b)(3).

''(D) ANNUAL ADDITION.—For purposes of this paragraph, the term 'annual addition' has the meaning given such term by paragraph (2).

''(E) CHURCH, CONVENTION OR ASSOCIATION OF CHURCHES.—For purposes of this paragraph, the terms 'church' and 'convention or association of churches' have the same meaning as when used in section 414(e).''.

(5) Section 457(e)(5) is amended to read as follows:

''(5) INCLUDIBLE COMPENSATION.—The term 'includible compensation' has the meaning given to the term 'participant's compensation' by section 415(c)(3).''.

(6) Section 402(g)(7)(B) is amended by striking ''2001.'' and inserting ''2001).''.

(q) AMENDMENTS RELATING TO SECTION 643 OF THE ACT.—

(1) Section 401(a)(31)(C)(i) is amended by inserting ''is a qualified trust which is part of a plan which is a defined contribution plan and'' before ''agrees''.

(2) Section 402(c)(2) is amended by adding at the end the following flush sentence:

''In the case of a transfer described in subparagraph (A) or (B), the amount transferred shall be treated as consisting first of the portion of such distribution that is includible in gross income (determined without regard to paragraph (1)).''.

(r) AMENDMENTS RELATING TO SECTION 648 OF THE ACT.—

(1) Section 417(e) is amended—

(A) in paragraph (1) by striking ''exceed the dollar limit under section 411(a)(11)(A)'' and inserting ''exceed the amount that can be distributed without the participant's consent under section 411(a)(11)'', and

(B) in paragraph (2)(A) by striking ''exceeds the dollar limit under section 411(a)(11)(A)'' and inserting ''exceeds the amount that can be distributed without the participant's consent under section 411(a)(11)''.

(2) Section 205(g) of the Employee Retirement Income Security Act of 1974 is amended—

(A) in paragraph (1) by striking ''exceed the dollar limit under section 203(e)(1)'' and inserting ''exceed the amount that can be distributed without the participant's consent under section 203(e)'', and

(B) in paragraph (2)(A) by striking ''exceeds the dollar limit under section 203(e)(1)'' and inserting ''exceeds the amount that can be distributed without the participant's consent under section 203(e)''.

(s) AMENDMENT RELATING TO SECTION 652 OF THE ACT.—Section 404(a)(1)(D)(iv) is amended by striking ''PLANS MAINTAINED BY PROFESSIONAL SERVICE EMPLOYERS'' and inserting ''SPECIAL RULE FOR TERMINATING PLANS''.

(t) AMENDMENTS RELATING TO SECTION 657 OF THE ACT.—Section 404(c)(3) of the Employee Retirement Income Security Act of 1974 is amended—

(1) by striking ''the earlier of'' in subparagraph (A) the second place it appears, and

(2) by striking ''if the transfer'' and inserting ''a transfer that''.

(u) AMENDMENTS RELATING TO SECTION 659 OF THE ACT.—

(1) Section 4980F is amended—

(A) in subsection (e)(1) by striking ''written notice'' and inserting ''the notice described in paragraph (2)'',

(B) by amending subsection (f)(2)(A) to read as follows:

''(A) any defined benefit plan described in section 401(a) which includes a trust exempt from tax under section 501(a), or'', and

(C) in subsection (f)(3) by striking ''significantly'' both places it appears.

(2) Section 204(h)(9) of the Employee Retirement Income Security Act of 1974 is amended by striking ''significantly'' both places it appears.

(3) Section 659(c)(3)(B) of the Economic Growth and Tax Relief Reconciliation Act of 2001 is amended by striking ''(or'' and inserting ''(and''.

(v) AMENDMENTS RELATING TO SECTION 661 OF THE ACT.—

(1) Section 412(c)(9)(B) is amended—

(A) in clause (ii) by striking ''125 percent'' and inserting ''100 percent'', and

(B) by adding at the end the following new clause:

''(iv) LIMITATION.—A change in funding method to use a prior year valuation, as provided in clause (ii), may not be made unless as of the valuation date within the prior plan year, the value of the assets of the plan are not less than 125 percent of the plan's current liability (as defined in paragraph (7)(B)).''.

(2) Section 302(c)(9)(B) of the Employee Retirement Income Security Act of 1974 is amended—

(A) in clause (ii) by striking ''125 percent'' and inserting ''100 percent'', and

(B) by adding at the end the following new clause:

''(iv) A change in funding method to use a prior year valuation, as provided in clause (ii), may not be made unless as of the valuation date within the prior plan year, the value of the assets of the plan are not less than 125 percent of the plan's current liability (as defined in paragraph (7)(B)).''.

(w) AMENDMENTS RELATING TO SECTION 662 OF THE ACT.—

(1) Section 404(k) is amended—

(A) in paragraph (1) by striking ''during the taxable year'',

(B) in paragraph (2)(B) by striking ''(A)(iii)'' and inserting ''(A)(iv)'',

(C) in paragraph (4)(B) by striking ''(iii)'' and inserting ''(iv)'', and

(D) by redesignating subparagraph (B) of paragraph (4) (as amended by subparagraph (C)) as subparagraph (C) of paragraph (4) and by inserting after subparagraph (A) the following new subparagraph:

''(B) REINVESTMENT DIVIDENDS.—For purposes of subparagraph (A), an applicable dividend reinvested pursuant to clause (iii)(II) of paragraph (2)(A) shall be treated as paid in the taxable year of the corporation in which such dividend is reinvested in qualifying employer securities or in which the election under clause (iii) of paragraph (2)(A) is made, whichever is later.''.

(2) Section 404(k) is amended by adding at the end the following new paragraph:

''(7) FULL VESTING.—In accordance with section 411, an applicable dividend described in clause (iii)(II) of paragraph (2)(A) shall be subject to the requirements of section 411(a)(1).''.

(x) EFFECTIVE DATE.—Except as provided in subsection (c), the amendments made by this section shall take effect as if included in the provisions of the Economic Growth and Tax Relief Reconciliation Act of 2001 to which they relate.

SEC. 412. AMENDMENTS RELATED TO COMMUNITY RENEWAL TAX RELIEF ACT OF 2000.

(a) AMENDMENT RELATED TO SECTION 101 OF THE ACT.—Section 469(i)(3)(E) is amended by striking clauses (ii), (iii), and (iv) and inserting the following:

''(ii) second to the portion of such loss to which subparagraph (C) applies,

''(iii) third to the portion of the passive activity credit to which subparagraph (B) or (D) does not apply,

''(iv) fourth to the portion of such credit to which subparagraph (B) applies, and''.

(b) AMENDMENT RELATED TO SECTION 306 OF THE ACT.—Section 151(c)(6)(C) is amended—

(1) by striking ''FOR EARNED INCOME CREDIT.—For purposes of section 32, an'' and inserting ''FOR PRINCIPAL PLACE OF ABODE REQUIREMENTS.—An'', and

(2) by striking ''requirement of section 32(c)(3)(A)(ii)'' and inserting ''principal place of abode requirements of section 2(a)(1)(B), section 2(b)(1)(A), and section 32(c)(3)(A)(ii)''.

(c) AMENDMENT RELATED TO SECTION 309 OF THE ACT.—Subparagraph (A) of section 358(h)(1) is amended to read as follows:

''(A) which is assumed by another person as part of the exchange, and''.

(d) AMENDMENTS RELATED TO SECTION 401 OF THE ACT.—

(1)(A) Section 1234A is amended by inserting ''or'' after the comma at the end of paragraph (1), by striking ''or'' at the end of paragraph (2), and by striking paragraph (3).

(B)(i) Section 1234B is amended in subsection (a)(1) and in subsection (b) by striking ''sale or exchange'' the first place it appears in each subsection and inserting ''sale, exchange, or termination''.

(ii) Section 1234B is amended by adding at the end the following new subsection:

''(f) CROSS REFERENCE.—

''For special rules relating to dealer securities futures contracts, see section 1256.''

(2) Section 1091(e) is amended—

(A) in the heading, by striking ''SECURITIES.—'' and inserting ''SECURITIES AND SECURITIES FUTURES CONTRACTS TO SELL.—'',

(B) by inserting after ''closing of a short sale of'' the following: ''(or the sale, exchange, or termination of a securities futures contract to sell)'',

(C) in paragraph (2), by inserting after ''short sale of'' the following: ''(or securities futures contracts to sell)'', and

(D) by adding at the end the following:

''For purposes of this subsection, the term 'securities futures contract' has the meaning provided by section 1234B(c).''.

(3)(A) Section 1233(e)(2) is amended by striking ''and'' at the end of subparagraph (C), by striking the period and inserting ''; and'' at the end of subparagraph (D), and inserting after subparagraph (D) the following:

''(E) entering into a securities futures contract (as so defined) to sell shall be considered to be a short sale, and the settlement of such contract shall be considered to be the closing of such short sale.''.

(B) Section 1234B(b) is amended by inserting after ''or this section,'' the following: ''or in section 1233,''

(e) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the provisions of the Community Renewal Tax Relief Act of 2000 to which they relate.

SEC. 413. AMENDMENTS RELATED TO THE TAX RELIEF EXTENSION ACT OF 1999.

(a) AMENDMENTS RELATED TO SECTION 545 OF THE ACT.—Section 857(b)(7) is amended—

(1) in clause (i) of subparagraph (B), by striking ''the amount of which'' and inserting ''to the extent the amount of the rents'', and

(2) in subparagraph (C), by striking ''if the amount'' and inserting ''to the extent the amount''.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in section 545 of the Tax Relief Extension Act of 1999.

SEC. 414. AMENDMENTS RELATED TO THE TAXPAYER RELIEF ACT OF 1997.

(a) AMENDMENTS RELATED TO SECTION 311 OF THE ACT.—Section 311(e) of the Taxpayer Relief Act of 1997 (Public Law 105–34; 111 Stat. 836) is amended—

(1) in paragraph (2)(A), by striking ''recognized'' and inserting ''included in gross income'', and

(2) by adding at the end the following new paragraph:

''(5) DISPOSITION OF INTEREST IN PASSIVE ACTIVITY.—Section 469(g)(1)(A) of the Internal Revenue Code of 1986 shall not apply by reason of an election made under paragraph (1).''.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in section 311 of the Taxpayer Relief Act of 1997.

SEC. 415. AMENDMENT RELATED TO THE BALANCED BUDGET ACT OF 1997.

(a) AMENDMENT RELATED TO SECTION 4006 OF THE ACT.—Section 26(b)(2) is amended by striking ''and'' at the end of subparagraph (P), by striking the period and inserting '', and'' at the end of subparagraph (Q), and by adding at the end the following new subparagraph:

''(R) section 138(c)(2) (relating to penalty for distributions from Medicare+Choice MSA not used for qualified medical expenses if minimum balance not maintained).''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in section 4006 of the Balanced Budget Act of 1997.

SEC. 416. OTHER TECHNICAL CORRECTIONS.

(a) COORDINATION OF ADVANCED PAYMENTS OF EARNED INCOME CREDIT.—

(1) Section 32(g)(2) is amended by striking ''subpart'' and inserting ''part''.

(2) The amendment made by this subsection shall take effect as if included in section 474 of the Tax Reform Act of 1984.

(b) SPECIAL RULE RELATED TO WASH SALE LOSSES.—

(1) Section 1256(f) is amended by adding at the end the following new paragraph:

''(5) SPECIAL RULE RELATED TO LOSSES.—Section 1091 (relating to loss from wash sales of stock or securities) shall not apply to any loss taken into account by reason of paragraph (1) of subsection (a).''.

(2) The amendment made by this subsection shall take effect as if included in section 5075 of the Technical and Miscellaneous Revenue Act of 1988.

(c) DISCLOSURE BY SOCIAL SECURITY ADMINISTRATION TO FEDERAL CHILD SUPPORT AGENCIES.—

(1) Section 6103(l)(8) is amended—

(A) in the heading, by striking ''STATE AND LOCAL'' and inserting ''FEDERAL, STATE, AND LOCAL'', and

(B) in subparagraph (A), by inserting ''Federal or'' before ''State or local''.

(2) The amendments made by this subsection shall take effect on the date of the enactment of this Act.

(d) TREATMENT OF SETTLEMENTS UNDER PARTNERSHIP AUDIT RULES.—

(1) The following provisions are each amended by inserting ''or the Attorney General (or his delegate)'' after ''Secretary'' each place it appears:

(A) Paragraphs (1) and (2) of section 6224(c).

(B) Section 6229(f)(2).

(C) Section 6231(b)(1)(C).

(D) Section 6234(g)(4)(A).

(2) The amendments made by this subsection shall apply with respect to settlement agreements entered into after the date of the enactment of this Act.

(e) AMENDMENT RELATED TO PROCEDURE AND ADMINISTRATION.—

(1) Section 6331(k)(3) (relating to no levy while certain offers pending or installment agreement pending or in effect) is amended to read as follows:

''(3) CERTAIN RULES TO APPLY.—Rules similar to the rules of—

''(A) paragraphs (3) and (4) of subsection (i), and

''(B) except in the case of paragraph (2)(C), paragraph (5) of subsection (i),

shall apply for purposes of this subsection.''.

(2) The amendment made by this subsection shall take effect on the date of the enactment of this Act.

(f) MODIFIED ENDOWMENT CONTRACTS.—Paragraph (2) of section 318(a) of the Community Renewal Tax Relief Act of 2000 (114 Stat. 2763A–645) is repealed, and clause (ii) of section 7702A(c)(3)(A) shall read and be applied as if the amendment made by such paragraph had not been enacted.

SEC. 417. CLERICAL AMENDMENTS.

(1) The subsection (g) of section 25B that relates to termination is redesignated as subsection (h).

(2) The second sentence of section 42(h)(3)(C) is amended by striking ''the amounts described in'' and all that follows through the period and inserting ''the amounts described in clauses (ii) through (iv) over the aggregate housing credit dollar amount allocated for such year.''

(3) Clause (ii) of section 42(m)(1)(B) is amended by striking the second ''and'' at the end of subclause (II) and by inserting ''and'' at the end of subclause (III).

(4) Section 51A(c)(1) is amended by striking ''51(d)(10)'' and inserting ''51(d)(11)''.

(5) The flush sentence at the end of clause (ii) of section 56(a)(1)(A) is amended by striking ''such 1250'' and inserting ''such section 1250''.

(6) Section 151(c)(6)(B)(iii) is amended by inserting ''as'' before ''such terms''.

(7) Section 170(e)(6)(B)(i)(III) is amended by striking ''2000,'' and inserting ''2000),''.

(8) Section 172(b)(1)(F)(i) is amended—

(A) by striking ''3 years'' and inserting ''3 taxable years'', and

(B) by striking ''2 years'' and inserting ''2 taxable years''.

(9) Section 351(h)(1) is amended by inserting a comma after ''liability''.

(10) Section 475(g)(3) is amended by striking ''sections'' and inserting ''section''.

(11) Section 529(e)(3)(B)(i) is amended by striking ''subsection (b)(7)'' and inserting ''subsection (b)(6)''.

(12) Section 741 is amended by striking ''which have appreciated substantially in value''.

(13) Section 857(b)(7)(B)(i) is amended by striking ''subsection 856(d)'' and inserting ''section 856(d)''.

(14) Subparagraph (B) of section 943(e)(4) is amended by aligning the left margin of the flush language with subparagraph (A).

(15) Subparagraph (B) of section 995(b)(3) is amended by striking ''International Security Assistance and Arms Export Control Act of 1976'' and inserting ''Arms Export Control Act''.

(16) Section 1394(c)(2) is amended by striking ''subparagraph (A)'' and inserting ''paragraph (1)''.

(17)(A) The section heading for section 4980E is amended to read as follows:

''SEC. 4980E. FAILURE OF EMPLOYER TO MAKE COMPARABLE ARCHER MSA CONTRIBUTIONS.''.

(B) The item relating to section 4980E in the table of sections for chapter 43 is amended to read as follows:

''Sec. 4980E. Failure of employer to make comparable Archer MSA contributions.''.

(18) Section 6105(c)(1) is amended by striking ''any'' in subparagraphs (C) and (E).

(19)(A) Section 6227(d) is amended by striking ''subsection (b)'' and inserting ''subsection (c)''.

(B) Section 6228 is amended—

(i) in subsection (a)(1), by striking ''subsection (b) of section 6227'' and inserting ''subsection (c) of section 6227'',

(ii) in subsection (a)(3)(A), by striking ''subsection (b) of'', and

(iii) in subsections (b)(1) and (b)(2)(A), by striking ''subsection (c) of section 6227'' and inserting ''subsection (d) of section 6227''.

(C) Section 6231(b)(2)(B)(i) is amended by striking ''section 6227(c)'' and inserting ''section 6227(d)''.

(20) Section 1221(b)(1)(B)(i) is amended by striking ''1256(b))'' and inserting ''1256(b)))''.

(21) Section 159 of the Community Renewal Tax Relief Act of 2000 (114 Stat. 2763A–624) is amended by striking ''fuctions'' and inserting ''functions''.

(22) The amendment to section 170(e)(6)(B)(iv) made by section 165(b)(1) of the Community Renewal Tax Relief Act of 2000 (114 Stat. 2763A–626) shall be applied as if it struck ''in any of the grades K–12''.

(23) Section 618(b)(2) of the Economic Growth and Tax Relief Reconciliation Act of 2001 (Public Law 107–16; 115 Stat. 108) is amended—

(A) in subparagraph (A) by striking ''203(d)'' and inserting ''202(f)'', and

(B) in subparagraphs (C), (D), and (E) by striking ''203'' and inserting ''202(f)''.

(24)(A) Section 525 of the Ticket to Work and Work Incentives Improvement Act of 1999 (Public Law 106–170; 113 Stat. 1928) is amended by striking ''7200'' and inserting ''7201''.

(B) Section 532(c)(2) of such Act (113 Stat. 1930) is amended—

(i) in subparagraph (D), by striking ''341(d)(3)'' and inserting ''341(d)'', and

(ii) in subparagraph (Q), by striking ''954(c)(1)(B)(iii) and inserting ''954(c)(1)(B)''.

SEC. 418. ADDITIONAL CORRECTIONS.

(a) AMENDMENTS RELATED TO SECTION 202 OF THE ECONOMIC GROWTH AND TAX RELIEF RECONCILIATION ACT OF 2001.—

(1) Subsection (h) of section 23 is amended—

(A) by striking ''subsection (a)(1)(B)'' and inserting ''subsection (a)(3)'', and

(B) by adding at the end the following new flush sentence:

''If any amount as increased under the preceding sentence is not a multiple of $10, such amount shall be rounded to the nearest multiple of $10.''

(2) Subsection (f) of section 137 is amended by adding at the end the following new flush sentence:

''If any amount as increased under the preceding sentence is not a multiple of $10, such amount shall be rounded to the nearest multiple of $10.''

(b) AMENDMENTS RELATED TO SECTION 204 OF THE ECONOMIC GROWTH AND TAX RELIEF RECONCILIATION ACT OF 2001.—Section 21(d)(2) is amended—

(1) in subparagraph (A) by striking ''$200'' and inserting ''$250'', and

(2) in subparagraph (B) by striking ''$400'' and inserting ''$500''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the provisions of the Economic Growth and Tax Relief Reconciliation Act of 2001 to which they relate.

TITLE V—SOCIAL SECURITY HELD HARMLESS; BUDGETARY TREATMENT OF ACT

SEC. 501. NO IMPACT ON SOCIAL SECURITY TRUST FUNDS.

(a) IN GENERAL.—Nothing in this Act (or an amendment made by this Act) shall be construed to alter or amend title II of the Social Security Act (or any regulation promulgated under that Act).

(b) TRANSFERS.—

(1) ESTIMATE OF SECRETARY.—The Secretary of the Treasury shall annually estimate the impact that the enactment of this Act has on the income and balances of the trust funds established under section 201 of the Social Security Act (42 U.S.C. 401).

(2) TRANSFER OF FUNDS.—If, under paragraph (1), the Secretary of the Treasury estimates that the enactment of this Act has a negative impact on the income and balances of the trust funds established under section 201 of the Social Security Act (42 U.S.C. 401), the Secretary shall transfer, not less frequently than quarterly, from the general revenues of the Federal Government an amount sufficient so as to ensure that the income and balances of such trust funds are not reduced as a result of the enactment of this Act.

SEC. 502. EMERGENCY DESIGNATION.

Congress designates as emergency requirements pursuant to section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985 the following amounts:

(1) An amount equal to the amount by which revenues are reduced by this Act below the recommended levels of Federal revenues for fiscal year 2002, the total of fiscal years 2002 through 2006, and the total of fiscal years 2002 through 2011, provided in the conference report accompanying H. Con. Res. 83, the concurrent resolution on the budget for fiscal year 2002.

(2) Amounts equal to the amounts of new budget authority and outlays provided in this Act in excess of the allocations under section 302(a) of the Congressional Budget Act of 1974 to the Committee on Finance of the Senate for fiscal year 2002, the total of fiscal years 2002 through 2006, and the total of fiscal years 2002 through 2011.

TITLE VI—EXTENSIONS OF CERTAIN EXPIRING PROVISIONS

SEC. 601. ALLOWANCE OF NONREFUNDABLE PERSONAL CREDITS AGAINST REGULAR AND MINIMUM TAX LIABILITY.

(a) IN GENERAL.—Paragraph (2) of section 26(a) is amended—

(1) by striking ''RULE FOR 2000 AND 2001.—'' and inserting ''RULE FOR 2000, 2001, 2002, AND 2003.—'', and

(2) by striking ''during 2000 or 2001,'' and inserting ''during 2000, 2001, 2002, or 2003,''.

(b) CONFORMING AMENDMENTS.—

(1) Section 904(h) is amended by striking ''during 2000 or 2001'' and inserting ''during 2000, 2001, 2002, or 2003''.

(2) The amendments made by sections 201(b), 202(f), and 618(b) of the Economic Growth and Tax Relief Reconciliation Act of 2001 shall not apply to taxable years beginning during 2002 and 2003.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SEC. 602. CREDIT FOR QUALIFIED ELECTRIC VEHICLES.

(a) IN GENERAL.—Section 30 is amended—

(1) in subsection (b)(2)—

(A) by striking ''December 31, 2001,'' and inserting ''December 31, 2003,'', and

(B) in subparagraphs (A), (B), and (C), by striking ''2002'', ''2003'', and ''2004'', respectively, and inserting ''2004'', ''2005'', and ''2006'', respectively, and

(2) in subsection (e), by striking ''December 31, 2004'' and inserting ''December 31, 2006''.

(b) CONFORMING AMENDMENTS.—

(1) Subparagraph (C) of section 280F(a)(1) is amended by adding at the end the following new clause:

''(iii) APPLICATION OF SUBPARAGRAPH.—This subparagraph shall apply to property placed in service after August 5, 1997, and before January 1, 2007.''.

(2) Subsection (b) of section 971 of the Taxpayer Relief Act of 1997 is amended by striking ''and before January 1, 2005''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after December 31, 2001.

SEC. 603. CREDIT FOR ELECTRICITY PRODUCED FROM CERTAIN RENEWABLE RESOURCES.

(a) IN GENERAL.—Subparagraphs (A), (B), and (C) of section 45(c)(3) are both amended by striking ''2002'' and inserting ''2004''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to facilities placed in service after December 31, 2001.

SEC. 604. WORK OPPORTUNITY CREDIT.

(a) IN GENERAL.—Subparagraph (B) of section 51(c)(4) is amended by striking ''2001'' and inserting ''2003''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to individuals who begin work for the employer after December 31, 2001.

SEC. 605. WELFARE-TO-WORK CREDIT.

(a) IN GENERAL.—Subsection (f) of section 51A is amended by striking ''2001'' and inserting ''2003''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to individuals who begin work for the employer after December 31, 2001.

SEC. 606. DEDUCTION FOR CLEAN-FUEL VEHICLES AND CERTAIN REFUELING PROPERTY.

(a) IN GENERAL.—Section 179A is amended—

(1) in subsection (b)(1)(B)—

(A) by striking ''December 31, 2001,'' and inserting ''December 31, 2003,'', and

(B) in clauses (i), (ii), and (iii), by striking ''2002'', ''2003'', and ''2004'', respectively, and inserting ''2004'', ''2005'', and ''2006'', respectively, and

(2) in subsection (f), by striking ''December 31, 2004'' and inserting ''December 31, 2006''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to property placed in service after December 31, 2001.

SEC. 607. TAXABLE INCOME LIMIT ON PERCENTAGE DEPLETION FOR OIL AND NATURAL GAS PRODUCED FROM MARGINAL PROPERTIES.

(a) IN GENERAL.—Subparagraph (H) of section 613A(c)(6) is amended by striking ''2002'' and inserting ''2004''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2001.

SEC. 608. QUALIFIED ZONE ACADEMY BONDS.

(a) IN GENERAL.—Paragraph (1) of section 1397E(e) is amended by striking ''2000, and 2001'' and inserting ''2000, 2001, 2002, and 2003''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to obligations issued after the date of the enactment of this Act.

SEC. 609. COVER OVER OF TAX ON DISTILLED SPIRITS.

(a) IN GENERAL.—Paragraph (1) of section 7652(f) is amended by striking ''January 1, 2002'' and inserting ''January 1, 2004''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to articles brought into the United States after December 31, 2001.

SEC. 610. PARITY IN THE APPLICATION OF CERTAIN LIMITS TO MENTAL HEALTH BENEFITS.

(a) IN GENERAL.—Subsection (f) of section 9812, as amended by the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2002, is amended to read as follows:

''(f) APPLICATION OF SECTION.—This section shall not apply to benefits for services furnished—

''(1) on or after September 30, 2001, and before January 10, 2002, and

''(2) after December 31, 2003.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to plan years beginning after December 31, 2000.

SEC. 611. TEMPORARY SPECIAL RULES FOR TAXATION OF LIFE INSURANCE COMPANIES.

(a) REDUCTION IN MUTUAL LIFE INSURANCE COMPANY DEDUCTIONS NOT TO APPLY IN CERTAIN YEARS.—Section 809 (relating to reduction in certain deductions of material life insurance companies) is amended by adding at the end the following:

''(j) DIFFERENTIAL EARNINGS RATE TREATED AS ZERO FOR CERTAIN YEARS.—Notwithstanding subsection (c) or (f), the differential earnings rate shall be treated as zero for purposes of computing both the differential earnings amount and the recomputed differential earnings amount for a mutual life insurance company's taxable years beginning in 2001, 2002, or 2003.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2000.

SEC. 612. AVAILABILITY OF MEDICAL SAVINGS ACCOUNTS.

(a) IN GENERAL.—Paragraphs (2) and (3)(B) of section 220(i) (defining cut-off year) are each amended by striking ''2002'' each place it appears and inserting ''2003''.

(b) CONFORMING AMENDMENTS.—

(1) Paragraph (2) of section 220(j) is amended by striking ''1998, 1999, or 2001'' each place it appears and inserting ''1998, 1999, 2001, or 2002''.

(2) Subparagraph (A) of section 220(j)(4) is amended by striking ''and 2001'' and inserting ''2001, and 2002''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on January 1, 2002.

SEC. 613. INCENTIVES FOR INDIAN EMPLOYMENT AND PROPERTY ON INDIAN RESERVATIONS.

(a) EMPLOYMENT.—Subsection (f) of section 45A is amended by striking ''December 31, 2003'' and inserting ''December 31, 2004''.

(b) PROPERTY.—Paragraph (8) of section 168(j) is amended by striking ''December 31, 2003'' and inserting ''December 31, 2004''.

SEC. 614. SUBPART F EXEMPTION FOR ACTIVE FINANCING.

(a) IN GENERAL.—

(1) Section 953(e)(10) is amended—

(A) by striking ''January 1, 2002'' and inserting ''January 1, 2007'', and

(B) by striking ''December 31, 2001'' and inserting ''December 31, 2006''.

(2) Section 954(h)(9) is amended by striking ''January 1, 2002'' and inserting ''January 1, 2007''.

(b) LIFE INSURANCE AND ANNUITY CONTRACTS.—

(1) IN GENERAL.—Subparagraph (B) of section 954(i)(4) is amended to read as follows:

''(B) LIFE INSURANCE AND ANNUITY CONTRACTS.—

''(i) IN GENERAL.—Except as provided in clause (ii), the amount of the reserve of a qualifying insurance company or qualifying insurance company branch for any life insurance or annuity contract shall be equal to the greater of—

''(I) the net surrender value of such contract (as defined in section 807(e)(1)(A)), or

''(II) the reserve determined under paragraph (5).

''(ii) RULING REQUEST, ETC.—The amount of the reserve under clause (i) shall be the foreign statement reserve for the contract (less any catastrophe, deficiency, equalization, or similar reserves), if, pursuant to a ruling request submitted by the taxpayer or as provided in published guidance, the Secretary determines that the factors taken into account in determining the foreign statement reserve provide an appropriate means of measuring income.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SEC. 615. REPEAL OF REQUIREMENT FOR APPROVED DIESEL OR KEROSENE TERMINALS.

(a) IN GENERAL.—Subsection (e) of section 4101 is hereby repealed.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on January 1, 2002.

SEC. 616. REAUTHORIZATION OF TANF SUPPLEMENTAL GRANTS FOR POPULATION INCREASES FOR FISCAL YEAR 2002.

Section 403(a)(3) of the Social Security Act (42 U.S.C. 603(a)(3)) is amended by adding at the end the following:

''(H) REAUTHORIZATION OF GRANTS FOR FISCAL YEAR 2002.—Notwithstanding any other provision of this paragraph—

''(i) any State that was a qualifying State under this paragraph for fiscal year 2001 or any prior fiscal year shall be entitled to receive from the Secretary for fiscal year 2002 a grant in an amount equal to the amount required to be paid to the State under this paragraph for the most recent fiscal year in which the State was a qualifying State;

''(ii) subparagraph (G) shall be applied as if '2002' were substituted for '2001'; and

''(iii) out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated for fiscal year 2002 such sums as are necessary for grants under this subparagraph.''.

SEC. 617. 1-YEAR EXTENSION OF CONTINGENCY FUND UNDER THE TANF PROGRAM.

Section 403(b) of the Social Security Act (42 U.S.C. 603(b)) is amended—

(1) in paragraph (2), by striking ''and 2001'' and inserting ''2001, and 2002''; and

(2) in paragraph (3)(C)(ii), by striking ''2001'' and inserting ''2002''.

The SPEAKER pro tempore. Pursuant to House Resolution 360, the gentleman from California (Mr. THOMAS) and the gentleman from New York (Mr. RANGEL) each will control 30 minutes.

The Chair recognizes the gentleman from California (Mr. THOMAS).

Mr. THOMAS. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, this morning one of the things that we really need to establish in this package, that we hope the Senate will take up relatively quickly and pass without trying to amend so that we can send to the President a package which extends unemployment and which produces a modest assistance, as Chairman Greenspan indicated, perhaps a little bit of insurance to make sure that the economy moves forward.

One of the things that needs to be understood from the beginning is this is not a stimulus package. When you have an economy that generates $10 trillion a year, $41 billion over 10 years in no way can be called a stimulus. For example, the underlying bill, H.R. 3090, which the Senate amended and sent back to us which the House sent to the Senate in October was a stimulus bill. It generated $160 billion worth of assistance to individuals and to businesses over a 10-year period. The other body killed that bill. The leadership over there decided that they did not want a stimulus.

I will admit it took us a little while to fully appreciate the fact that they did not want a stimulus package to help the economy recover. We sent them three adjusted bills. We did not send the same thing each time. We examined the package. We made adjustments. We searched forever, as a governing majority is supposed to do, for something that would reach agreement; and today we have in front of us what we believe certainly should and hopefully will reach agreement.

Just several weeks ago, my colleagues on the other side of the aisle were imploring us to just pass what the Senate sent us. To remind Members of what it was the Senate sent us, it was naked, the most minimal unemployment package, irreducibly minimum, and that is what the Senate could do. And we were urged by our colleagues on the other side of the aisle, why do we not take that up and pass it? That is all we can do. That is all we should do, and we should do it now.

I am pleased to say that we are not just doing that. I think today the House will pass a package which certainly cannot in any way be called a stimulus but is certainly not the irreducible minimum, almost the affront to Americans that was contained in the Senate-passed package and which was urged to be adopted by us by our friends on the other side of the aisle.

To give Members an idea of how a number of folks have not been able to understand what is going on, I would offer today's Washington Post which begins with the headline ''House GOP Relents In Fight Over Stimulus.''

No, we are not relenting. We have conceded that the Senate leadership has been able to kill stimulus. They have succeeded. So we are not relenting. Ironically, it goes on in the very first paragraph that says that the bill, that we have agreed to legislation ''that will focus largely on new benefits for unemployed workers.'' Will focus largely on benefits for unemployed workers.

The bill is $41 billion over 10 years. Over that 10-year period, out of the $41 billion, $2.7 billion is for unemployed. The $38 billion remainder is for reduction of taxes to small business, medium business, job-creating provisions. And only the Washington Post could say that 7 percent of something is largely focused on. That shows you how far off the Washington Post is.

It then goes on and says that the bill closely tracks a Senate proposal to provide unemployment. No, it does not closely track a Senate proposal. It is far better than the Senate proposal. The proposal we have for unemployment benefits not only provides the 13 weeks and uses a trigger for those benefits lower than current law, but it says if a State continues to match the 4 percent trigger rather than the 5 plus trigger in the current law, the 4 percent is President Bush's request to utilize as a trigger, and we thought that was appropriate. But if you run out of your initial 13 weeks and your State still has greater than 4 percent unemployment, there is an automatic trigger of an additional 13 weeks; and if you run out of those 13 weeks and your State finds itself above the 4 percent unemployment rate, there is an automatic trigger, et cetera, et cetera, et cetera.

What we are trying to do is to make sure that the Senate cannot continue

to hold hostage unemployment insurance benefits for those who through no fault of their own cannot find employment. We sent the Senate a package in October, and here we are in March debating. Our hope is when this passes by a large bipartisan vote the Senate will take this up and send it to the President, because the House's unemployment proposal says, once we do this, it is on automatic trigger. If the conditions are there, it will be renewed automatically. The Senate does not do that.

So how in the world somebody could say that this closely tracks the Senate is beyond me. Of course, and unless what they want to do is to make it look like the Republicans in the House have ''relented.''

Now, obviously, there is a motive for doing that. But, most importantly, the motive should be that we help people in need, that we make sure that we create a bridge. We do a modest insurance package for growth in this economy so we can recover. I cannot believe that anyone carried out the kind of stalling tactics that occurred over on the Senate side in the hopes that the economy would stumble or that the economy would not recover as rapidly as it otherwise would, and I hope no one stands in the way of this modest package or amends it over in the Senate to try to make a point from the leadership's side over in the Senate that we want our fingerprints all over this or we want to delay any longer.

The time for delay is over. The time for passage is here, today in the House, tomorrow at the latest in the Senate, so that we can get this measure to the President and let him sign it. It is about time.

Madam Speaker, I reserve the balance of my time.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair would remind all Members that during the course of this debate Members should refrain from characterizing Senate action or inaction and should refrain from urging Senate action.

Mr. RANGEL. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, let me take advantage of this rare opportunity when I agree with the chairman of the Ways and Means Committee. I would like to get his attention for a moment so that I give him his usual opportunity to respond. I am so desperately trying so hard to get the gentleman from California's (Mr. THOMAS) attention. It is so difficult.

I just wanted the gentleman to know that I agree with him that the Washington Post is in serious error in suggesting that the Republicans in the House of Representatives have relented.

□ 1115

The Republicans do not know how to relent. The hostages of those 8 million people who are unemployed and without health benefits have not been freed completely by the Republican leadership. As the gentleman pointed out, he could not resist putting tax benefits that in the first 3 years cost some $100 billion, or as the gentleman pointed out, a projected $43 billion.

The glee that the gentleman takes in suggesting that we are only providing $2.7 billion for the unemployed as opposed to the incentives that we are paying for the corporate structure. No, he is not relenting; he is responding to the outrage that has been felt by people throughout this country that since 9–11 the gentleman has ignored the people who are unemployed. The gentleman has taken their pain, their misery, their loss of homes and jobs and dreams and tuition, and he has put this into what the gentleman calls a stimulus package.

Now, the stimulus package always included not relieving pain for the unemployed but always accelerating tax benefits for the rich, or repealing the alternative minimum tax or something that had nothing to do with those victims that were unemployed. So when my colleague suggests that it is the other body that has loaded up the bill, what, are we in Alice in Wonderland? Did we not just get a bill from them passed by Republicans and Senators saying to just do employment compensation? My colleague could not resist jumping on that with all of the things that make the Republican Campaign Committee happy.

So I agree with the gentleman from California (Mr. THOMAS), this is not a stimulus package, nor should the unemployed be held hostage by so-called stimulus tax cuts. The ratio of tax benefits to the corporation and easing a little pain to the unemployed, my God, would let us know there is not too much compassion here. Will we grab this and run with it, even though it is not paid for? Well, it is paid for out of the monies coming in from the Social Security Trust Fund, but we do not have that many options, considering the box that the leadership has placed us in as relates to the spend-down of the surplus.

So, let the record reflect that I agree with most all that the gentleman has said. This is not a stimulus package. The GOP, as my colleague likes it to be called, does not know how to relent. There is an area of some tiny relief here for the unemployed. The gentleman had to resist giving some decent health benefits to this, and the fact that it is not paid for, so what else is new?

Madam Speaker, I ask unanimous consent to allow the gentleman from California (Mr. MATSUI) to manage the remainder of my time.

The SPEAKER pro tempore (Mrs. EMERSON). Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. THOMAS. Madam Speaker, I yield myself such time as I may consume. And if my colleague from New York would not rapidly leave the Chamber, what I would have responded to him was that perhaps he forgets back in September, on the trade adjustment assistance package, the House placed more than $2 billion available for those individuals who lost their jobs in relation to the tragic events of September 11. Notwithstanding the fact it was on trade adjustment, we said that would be handled in the same fashion.

When the gentleman talks about relieving the pain of the unemployed, he focuses on unemployment payments, as though being more generous on unemployment payments is how he relieves the pain of the unemployed. What the President so eloquently said in his State of the Union was that what this is all about is jobs. And the last time I checked, if we want to be an employee, we need to have an employer.

What he calls benefits to the rich and the corporations, anybody else, who understands how this economy works, would say we are trying to create jobs. And when he says we do not have compassion for the unemployed, this sounds like a repeat of the welfare debate when they considered compassion holding people hostage to government payments. That is compassion? We believe compassion is making sure the economy grows so that people can have a job and have the dignity and respect of having a job, instead of making sure that we tie them to unemployment payments so we can show how compassionate we are in relieving the pain of unemployment by giving them a government check.

I think that pretty well draws the line between the President and our approach to trying to deal with these issues and our friends on the other side of the aisle. They define compassion as a government check, they define taking care of the pain of the unemployed by giving them more government money, and we define it as growing the economy, creating jobs and letting people have the dignity of work. That is real compassion for those who, through no fault of their own, have no job at the present time.

Madam Speaker, I reserve the balance of my time.

Mr. MATSUI. Madam Speaker, I yield myself such time as I may consume to just point out to the Members that the gentleman from New York (Mr. RANGEL) is leaving not as a sign of discourtesy to the Chair, but he has been summoned to the White House to talk about some of the New York issues. He is meeting with the President. In fact, he is a little late at this moment. So he does wish that people understand that he is leaving for the purpose of meeting with the President.

Madam Speaker, I yield 2 minutes to the distinguished gentlewoman from the State of Connecticut (Ms. DELAURO).

Ms. DELAURO. Madam Speaker, at last, 6 months after the September 11

attacks, with a damaged and already troubled economy, the House is poised to extend unemployment benefits for workers in this great Nation who have lost their jobs through no fault of their own. At last.

For 6 months, Democrats have stood firm on a plan that was one part good economics and one part basic human decency. The Republican leadership balked. They have equivocated, squirmed; and they have shifted in their seats at the mere mention of passing a bill that extended unemployment benefits and health care benefits for workers of this country, something that this Nation has done historically in difficult times in our country.

And they were opposed to doing this if the bill did not include corporate tax handouts for the largest corporations, for the Enrons of the world. Since that time, over a million and a half people have seen their unemployment benefits expire. In fact, just yesterday the House was ready to consider a fourth sham bill that again had no chance of making it to the President's desk. And since that time, another 11,000 Americans have lost their benefits.

Well, my friends, time ran out on the Republican House leadership. And just as we witnessed their misguided approach to airline security last November, their stubborn effort to defy the will of the American people has again ended in defeat; a defeat for the Republicans, but, albeit belatedly, a victory for American workers.

Now, what we need to do is to undertake the effort to make sure that those who have suffered unemployment and who have lost their health benefits that what we will do is to work to make sure that we assist them and our States to provide them with the opportunity to include people who have lost their jobs and their health benefits to get those benefits. It is about time.

Mr. THOMAS. Madam Speaker, it is my pleasure to yield 1 minute to the gentleman from New York (Mr. HOUGHTON), a valued member of the Committee on Ways and Means.

Mr. HOUGHTON. Madam Speaker, first of all, I would like to thank the gentleman from California (Mr. THOMAS) for all the work he has done, and I thank the gentleman from California (Mr. MATSUI); but the chairman of the committee has been extraordinary in hanging with this program and trying to get something we could vote on.

Look, there are lots of different things, and I will not go through the litany in terms of unemployment provisions and in terms of helping small businesses, because the thing I would like to do is just say thank the gentleman to the gentleman on behalf of New York, on behalf of the liberty zone, on behalf of all those people who need your help. And that is the only thing I have to say today.

Mr. MATSUI. Madam Speaker, I yield 2 minutes to the distinguished gentlewoman from Ohio (Mrs. JONES).

Mrs. JONES of Ohio. Madam Speaker, today, we finally have an opportunity to do something for the worker. I can remember back in September talking about the airline security bill and talking about the fact that many of my family members are employed in the airline industry, my father having carried bags for United Airlines for some 38 years. And every time I go through that airport, I see these men who have been carrying bags for years making $2 an hour, and unable to get tips to supplement their families and help their families. But the discussion kept going on: we are going to help the workers, we are going to help the workers, we are going to help the workers. Well, finally, we are doing that.

And unlike some who say that we as Democrats see compassion as an unemployment check, I do not see compassion as an unemployment check. I see compassion that we ought to exhibit all during this year and years to come as Members of the House: compassion for affordable housing for people who cannot afford housing, compassion for people who need health care, who cannot afford a health care credit. Because if I do not have any money, I cannot pay for health care and then get a credit. I see compassion as giving opportunities for people to have a job at a living wage and have a job where they can work and get a health care benefit that they do not then have to pay for.

I understand compassion. I see compassion. And I am not going to give support of business to the Republican Party, because Democrats support business. I serve on the Committee on Small Business, and I am here to help business. But we cannot help business and not help the workers who help to build the business. I am glad for workers. Thank God we have got unemployment compensation.

Mr. THOMAS. Madam Speaker, I yield myself such time as I may consume.

Ms. DUNN. Madam. Speaker, will the gentleman yield for a colloquy?

Mr. THOMAS. I yield to the gentlewoman from Washington.

Ms. DUNN. Madam Speaker, I appreciate this legislation. It is going to do great things for the State of Washington, which is the second highest in unemployment in the Nation right now.

Mr. Chairman, I want to clarify a couple of points, that dislocated workers in Washington State will receive the following benefits in this order:

First, the regular State benefits of up to 30 weeks; second, the regular 50–50 shared Federal and State extended benefits up to 13 weeks, that the Governor can elect to suspend; third, the 13-week extended benefits, fully paid for by the Federal Government; and, fourth, States with high unemployment rates, like Washington State at 7.5 percent, would be eligible for an additional 13 weeks, fully paid by the Federal Government; and lastly, fifth, once all these resources are exhausted, displaced workers in Washington State will be eligible to use state-funded benefits already available under State law. Is that the gentleman's understanding?

Mr. THOMAS. Madam Speaker, reclaiming my time, I tell the gentlewoman that that is my understanding. That is the way we intended to write the legislation, and in conferring with the Department of Labor, they have indicated to us that that is the appropriate interpretation. However, we will insist on a letter from the Department of Labor assuring us that that is in fact the way they will interpret the legislation.

Ms. DUNN. Madam Speaker, I thank the gentleman.

Mr. DICKS. Madam. Speaker, will the gentleman yield?

Mr. THOMAS. I yield to the gentleman from Washington.

Mr. DICKS. Madam Speaker, I want to compliment the chairman and my colleague, the gentlewoman from Washington (Ms. DUNN), for their effort here. This is a very important problem. The chairman was gracious in working with us on the Trade Adjustment Assistance Act, and I want to thank him for this effort here to clarify the law.

Mr. THOMAS. Once again reclaiming my time, Madam Speaker, I tell the gentleman that our intent is to maximize the opportunities for those who are unfortunately unemployed, not to create conflict; and we believe we have done that.

□ 1130

Mr. MATSUI. Madam Speaker, I yield 2 minutes to the gentleman from Indiana (Mr. ROEMER).

(Mr. ROEMER asked and was given permission to revise and extend his remarks.)

Mr. ROEMER. Madam Speaker, if we were playing a baseball game, it would be three strikes and then out. This is not the third but the fourth time that we have tried to do this bill in the right and the balanced and the appropriate and the bipartisan way.

We finally have it right, and so we are playing by the House rules that we can do it three or four or five times. We finally have balance in this bill: Balance between helping our businesses in a tough time, in a recession, maybe coming out of this recession slowly, and helping them with a 30 percent first year depreciation bonus. Importantly, we have help for our families, our unemployed, our children, people across Indiana that have seen unemployment rates almost double over the past year.

Madam Speaker, we have seen nationally the unemployment rate go to 7.9 million people, almost 2 million people more than a year ago. This is important because the cost of this bill has come down, too. We are coming out of the recession. Mr. Greenspan is saying good things about recovery, and the price of this has gone down from $127 billion to $99 billion, to now $41 billion over 10 years. That is good for our budget. It is good for our families.

It is good for our businesses. We have arrived at the right balance.

Madam Speaker, I intend to vote for this bill. It will be a bipartisan bill, and I am glad we finally have it right.

Mr. THOMAS. Madam Speaker, I yield 2 minutes to the gentleman from Arizona (Mr. HAYWORTH), a valued member of the Committee on Ways and Means; and, lest we forget, somebody who represents the world champions in baseball, which was a point made by the previous speaker.

Mr. HAYWORTH. Madam Speaker, I listened with great interest to the gentleman from Indiana who started with the point of gamesmanship. He spoke about three strikes and being out. A more complete exposition on the rules on baseball, four balls and one walks.

Sadly, there are some in this town who just walked away. One definition of balance, to deprive the creation of job opportunity to strike balance for unemployment checks, that type of false compassion.

Let me suggest, Madam Speaker, this is not a game. Those who will come to this well and cry crocodile tears as to their compassion for the unemployed are missing the boat.

Our President made the point, true compassion is not an unemployment check, it is a paycheck from a job. When we turn our back on tax policy that creates economic opportunities and jobs, in the unrealistic and almost plaintive cry that somehow these are tax breaks for the rich, they fail to understand.

Madam Speaker, there are many in Arizona and across America who grow cynical with the shenanigans in Washington and grow cynical with those who would put political career advancement in front of the needs of the very people they purport to champion. Indeed, there are those in the dominant media culture who almost cheerlead for that somewhat cockeyed view of how to help people.

Good people can disagree, but once again we have taken a step today, more modest, to help those who need help, people we could have helped in October, in December, once again in December, and in February. At long last, we will rally. How sad it is that we do not get balance for economic opportunity at all, but we do take the steps necessary.

Mr. MATSUI. Madam Speaker, I yield 2 minutes to the gentlewoman from California (Ms. MILLENDER-MCDONALD).

Ms. MILLENDER-MCDONALD. Madam Speaker, I thank the gentleman from California (Mr. MATSUI) and also the chairman for bringing this bill to the floor, as well as the ranking member.

Madam Speaker, today we are considering amendments to H.R. 3090, the Job Creation and Worker Assistance Act. As a ranking member of the Subcommittee on Workforce, Empowerment and Government Programs, I embrace this bill. However, I would have wanted to see more for small businesses and more tax credits than what we have, especially for the unemployed. I would like to have seen a more equitable bill, but this bill that is under consideration is a drastic improvement over the first bill that was introduced into the House.

The major improvement to the bill is an extension of unemployment benefits for 13 weeks. I am sure unemployed workers throughout America will be comforted by this good news. Further, the bill reauthorizes TANF, the supplemental grant program and contingency fund, throughout the end of 2002. For families that have endured tough economic times, this reauthorization should provide some measure of relief.

I am also pleased to note that my colleagues in the House demonstrate a compassion for the long-suffering victims affected by the events of September 11 by including measures that provide temporary tax breaks and incentives for reconstruction of the World Trade Center neighborhood of New York City.

Madam Speaker, this is a bill that we can support. It does not have all of the benefits that I would have wanted to see, but as the ranking member of the Subcommittee on Workforce, Empowerment, and Government Programs, I welcome this bill. After months of wrangling over the economic stimulus bill, we have a bill that speaks to both business and unemployed workers.

Mr. THOMAS. Madam Speaker, I yield 3 minutes to the gentleman from Illinois (Mr. WELLER).

(Mr. WELLER asked and was given permission to revise and extend his remarks.)

Mr. WELLER. Madam Speaker, let me first begin by complimenting the gentleman from California (Mr. THOMAS) for his perseverance in working to get this economy going again. Today, the fourth time, will be the charm. I hope that the bipartisan support we are hearing for this legislation to help unemployed workers, as well increase investment and the creation of jobs, will go through the Senate and be signed into law.

There is an interesting headline in the paper today, ''Congressional Budget Office Predicts 2 Years of Surpluses, Credits Tax Rebate for Rebound in Budget.'' The nonpartisan Congressional Budget Office gives credit to the President's tax cut for the improved situation with our budget, as well as the rebound we are beginning to see in this economy.

This legislation before us is important today. We have laid-off workers. They are running out of unemployment benefits. We extend them. The program that we have before us is better than what the other body has suggested.

We also answer a very important question, and that is, what drove job creation in the last decade? It was investment, investment in the creation of jobs. For example, particularly in the technology and telecommunications sector, a tremendous amount of investment in the 1990s drove the creation of two-thirds of the jobs, the new jobs in our economy. That area has been hard hit by the recession we are currently under.

Madam Speaker, there are two provisions in this legislation that are tremendous incentives for investment and the creation of jobs: the accelerated depreciation, a 30 percent expensing, what some call the bonus depreciation. It is a tremendous incentive in the creation of jobs. Some of us have auto manufacturers or pickup truck manufacturers. Others have those that produce computers or telecommunications equipment. When someone has an incentive to buy those type of assets, there is a worker who manufactures that product, installs that product, services that product, and there is a worker who operates that product. The 30 percent expensing is a tremendous incentive for investment in creation of jobs.

NOL carry-back will allow companies to go back 5 years if they are losing money. The NOL carry-back is a tremendous incentive to invest in jobs. Companies are losing money. They need an opportunity to create capital that they can invest and keep their companies moving forward. The NOL carry-back will allow them to go back 5 years, essentially get a tax refund, use that money to invest in job creation, putting workers and their companies back to work, and giving more workers the opportunity to go back to work.

Madam Speaker, this legislation deserves bipartisan support. Let us invest in new jobs and give those who are unemployed today the opportunity to go back to work.

Mr. MATSUI. Madam Speaker, I yield 2 minutes to the gentleman from Maryland (Mr. CARDIN).

Mr. CARDIN. Madam Speaker, I thank the gentleman for yielding me this time and thank the gentleman for his work on many of the issues that we are considering today.

Madam Speaker, I want to talk about three issues in this bill that are very important. One deals with unemployment insurance, and the others deal with our welfare system.

I am pleased we now have these three provisions in a package that has a good chance of not only passing this body but the other body and being signed by the President of the United States. I congratulate the gentleman from California (Mr. THOMAS), the gentleman from California (Mr. MATSUI), and the gentleman from New York (Mr. RANGEL) for bringing forward a package that can be signed into law.

The provision I am referring to is the 13-week extension of unemployment insurance. We have been in recession for the last year. People, through no fault of their own, cannot find employment. It is important that we extend the unemployment insurance benefits. This 13

weeks will help 80,000 people a week who are exhausting their current unemployment insurance benefits.

The other two provisions deal with our welfare system. We extend the supplemental grants to those States who depend upon the supplemental grants in order to fund their welfare programs. Maryland is not one of those States, so the people in my State do not benefit, but it is an important program, and I applaud the effort that will finally get that enacted into law.

The other provides for the contingency fund within the TANF welfare program.

Madam Speaker, we are in a recession. We are going to be calling upon our social safety net programs more in the coming year. It is important that we provide within the TANF program the extra resources that our States are going to need in order to deal with the people that cannot find employment during this very difficult time.

Madam Speaker, for those three reasons I compliment all that are involved. These are three important provisions and are worthy of the support of this Chamber, and I thank all who are responsible for making it possible.

Mr. THOMAS. Madam Speaker, I yield 1 minute to the gentleman from Pennsylvania (Mr. GEKAS).

Mr. GEKAS. Madam Speaker, the inclusion of the extension of unemployment compensation benefits in this bill, of course, is the core, and it is a pretty good outcome for our unemployed.

I would have added one feature to it which I presented to the Committee on Rules but learned that it was premature to do so but which would have lifted an additional burden from the backs of our unemployed, namely a proposition that I have offered to eliminate income taxes on the receipt of unemployment compensation benefits. My proposition would make it retroactive to January, 2001.

Just as the unemployed began to creep up in numbers after the recession started, and exacerbated by September 11 when a whole new crew of unemployed Americans came before the unemployment boards, now is the time to consider lifting the burden of income taxes that applies to those benefits.

The chairman of the Committee on Ways and Means assured me that we would have discussion on this proposition; and when the time comes for that discussion, I ask the support of all of the Members because it is an unfair proposition to have our unemployed receive an unemployment compensation check and then have to calculate it in their taxes. We want to see that eliminated.

Mr. MATSUI. Madam Speaker, I yield 1 minute to the gentleman from Texas (Mr. GREEN).

Mr. GREEN of Texas. Madam Speaker, I rise in support of the bill. This is the first time I have been able to say that on the floor, and maybe the fourth time is the charm. The need is urgent to help our displaced workers and encourage investment through depreciation.

□ 1145

This bill extends unemployment insurance benefits for workers who have used their benefits up without yet finding a job. In my own area in Houston, our laid-off workers are a result of September 11, the airline employees and the travel industry, and from the Enron situation. They will benefit from this. Since September 21, about 2 million families have run out of unemployment benefits, 81,000 per week.

That will help us nationwide. We should have done this months ago in a bipartisan manner, but the Republican leadership insisted three times before that the tax breaks for the wealthy and corporations be included. In previous recessions, we have always passed an unemployment extension, but this time again we held it hostage, and now I am glad we are finally going to see it happen.

The concern I have, though, is ultimately we went from last year saving Social Security first to making it last. It looks like we have put tax cuts first. Again I am glad the committee has come up with this bill. It is a good compromise. Hopefully, the Senate will adopt it.

Mr. THOMAS. I thank the gentleman for his kind words.

Madam Speaker, I yield 1 minute to the gentleman from Texas (Mr. SAM JOHNSON), a valued member of the Committee on Ways and Means.

Mr. SAM JOHNSON of Texas. Madam Speaker, it has been over 100 days since President Bush demanded that Congress pass legislation to create jobs and spur our economy. Today, we are trying to help the unemployed and we might finally succeed.

Republicans are asking our Senate over there to put the American people first and their political ambitions second. Nothing should stand in the way of this bill, because it targets those that need help, the unemployed, our businesses and our economy. I know the people of South Dakota and Missouri are tired of these political games and so am I. We are just trying to make America strong by creating new, high-paying, long-term jobs. This bill does just that. Vote for America's workers. Vote for this commonsense bill.

Mr. MATSUI. Madam Speaker, I yield 3 minutes to the distinguished gentlewoman from Florida (Mrs. THURMAN).

Mrs. THURMAN. Madam Speaker, I am actually here to support the bill. I, like many of my friends, am glad we have a piece of legislation before us that does address some of the issues that many of us have been concerned about and certainly one that we can find consensus. It is good to know that we in fact can find consensus and come to agreement on some issues that are facing many, many people in this country.

I would just say that what we are hearing today is there has been about 80,000 Americans who are losing their unemployment benefits each week. According to one estimate, about 1.6 million people have totally exhausted their benefits since the September 11 tragedy. This 13-week extension certainly will go a long way to help them and their families during this crisis time.

I would say I am disappointed that we could not up some of the Medicaid dollars. I think that would have been a right direction for our States. Our States are looking to us for some leadership on this issue. They, as we all know, are in serious problems in their States; and Medicaid is an area in which they have asked for some relief. In saying that, though, I think the chairman knows that in the last couple of months, we have talked in the committee about the TANF grants and issues. In fact, we are going to be at a Federal-State conference on Monday. My State of Florida has continually brought this issue to our attention. It is my understanding we are going to get about 10 percent of our total. I do not know what exact number that is, but certainly it is going to go a long way in helping us.

I think there are also some important issues in here on the extenders. Our business partners that come in to talk to us constantly are saying to us, the extenders are something we have to go through every time. We are very concerned that this is not going to happen.

I would just say that I think that the extenders and one that I am very much interested in certainly was the wind which is also an alternative energy issue, one that we should be paying close attention to in these times.

All in all, I also think that we met some of the criteria that Mr. Greenspan and others have said that will also help us in stimulating this economy. I thank our chairman and our ranking member and members of this committee who got together and figured out that there was a way to go and get some things done around here that helps the American people. We thank them for that.

Mr. MATSUI. Madam Speaker, I yield 2 minutes to the gentleman from New Jersey (Mr. PALLONE).

Mr. PALLONE. Madam Speaker, let me first start out by saying that I am very pleased that the Republican leadership dropped the bill yesterday which would have complicated matters and brought up what is essentially a clean bill today on the unemployment compensation so we can get this passed and give that extra 13 weeks to our constituents. That is so important. I am pleased at the fact that they were willing to listen to Democrats and others that were asking that that be done.

However, I did want to say that the issue of health care for people who are displaced, for displaced workers, is still very important and needs to be addressed. One of the concerns I have,

which some of my colleagues have mentioned, which is that with the States piggybacking on this Federal depreciation rule, many of the States are now concerned that they are going to be losing significant amounts of money and that they will not be able to afford to keep everyone on their Medicaid rolls. In my home State of New Jersey, which faces like a 12 percent deficit from the previous Republican administration, our Governor is saying a big part of that is Medicaid. So we do not want to aggravate the situation, making it more difficult for States to provide health care for people who do not have a job or who are low income.

What I would like to see, and this is what I would ask, is that the Republican leadership allow at some point in the next few weeks the opportunity for the Democrats and all of us to address the problem of health care. Democrats have talked about expanding COBRA. Democrats have talked about giving more money to States to deal with this Medicaid problem. We have to recognize the fact that given the recession and the amount of displaced workers, there are a lot more uninsured and their problems are only going to be addressed if we deal with public programs and try to help the States with Medicaid, if we deal with COBRA, if we deal with some of these health care initiatives that actually make a difference and provide people with health insurance.

The tax credits that the Republicans have been talking about are not going to help the uninsured. Very few people are going to be able to buy into the individual market; and if anything, the Republican proposals with their tax credits undermine the employer-based system. That is why we brought it up on the previous question today that we voted ''no,'' because we do not want to undermine the employer-based system with these tax credits that the Republican leadership has proposed.

Mr. THOMAS. Madam Speaker, it is my pleasure to yield 2½ minutes to the gentleman from Ohio (Mr. PORTMAN), a member of the Committee on Ways and Means.

Mr. PORTMAN. Madam Speaker, I tell my friend who just spoke on the other side of the aisle that we had an opportunity to help States in regard to health care in the previous three bills that came to this floor for economic stimulus. I do not know whether the gentleman was on those, whether he voted for them or not; but we have had that opportunity, and we will have it in the future because this House will act to deal with the issue of the uninsured.

I thought it would be helpful to talk for a second about how we got to where we are right now. Let us start with why we are here. We are here because of the recession, and we are here because of the horrible events of September 11 and the deepening of the recession that that caused. In reaction to that, the House back in October, 5 months ago, passed legislation on this floor, then again passed it in December, then again passed it in February, each time focusing on two things: one, helping those who are unemployed, including the extension of unemployment insurance; and, second, helping to get the economy back on track so we can get people back to work. That has been the focus of all the three previous efforts. Each time as the House has passed these bills with practically unanimous Republican support and some support from the other side of the aisle, these bills have been blocked by the other body. Despite the fact that we believe there is a majority of the other body that supports the legislation, at least the legislation in December and the legislation in February, the other body has chosen to block that legislation, despite the fact that during this time the recession has dragged on and on and on.

That is why we are here today, because as the other body has blocked each of these good-faith efforts again to get people back to work, the House has reacted by altering the legislation, trying to address the very concerns that were raised on the floor of the other body and some concerns that were raised on the other side of the aisle here so that the bill which was brought forward in December, the bill which was brought forward in February, was altered from the original legislation to try to be sure we could get through that Senate gauntlet, excuse me, the other body's gauntlet and get the bill to the President for signature because we care about helping people who are unemployed but also care deeply about getting people back to work and re-creating those jobs in the American economy.

The House stayed focused on that every time. The House stayed focused on helping people. Now we are here. The other body finally blocked legislation indicating to us that now we need to alter the bill again. We have once again done so. This time we have fewer incentives for jobs, but still have incentives for jobs. We kept at it. Again, I must say that I applaud the chairman's personal perseverance and patience in this effort. I think, frankly, politically many people argued we should have done something else, we should have blamed the Senate or the other body for blocking this legislation. Instead, we have persevered. We have done what we can to try to get this bill done.

Again today we are hearing on the other side of the aisle more support for this legislation. I certainly hope the other body is listening, because it is time. It is 5 months too late; but it is time for us to move to help those who are unemployed, to extend unemployment insurance, to provide other assistance but also to help get people back to work, to put in place some incentives so that new jobs can be created and folks can get back to work helping the U.S. economy.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mrs. EMERSON). The Chair would once again remind all Members that during the course of this debate, Members should refrain from characterizing Senate action, including urging Senate action.

PARLIAMENTARY INQUIRY

Mr. THOMAS. Madam Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. THOMAS. In terms of not representing or characterizing Senate action, does that also refer to characterizing Senate inaction?

The SPEAKER pro tempore. The gentleman is correct.

Mr. MATSUI. Madam Speaker, I yield 2 minutes to the distinguished gentleman from California (Mr. DOOLEY).

Mr. DOOLEY of California. Madam Speaker, I am very pleased today that we finally have put together a stimulus package that will enjoy significant bipartisan support, and it will engender this significant bipartisan support because it is focused. It is focused on enacting tax cuts that will really result in increased economic activity. It focuses on providing needed benefits to New York. It focuses on providing needed benefits to our unemployed workers. And unlike some of the past stimulus bills that were brought before this House, it is focused on tax cuts that will really make a difference in the immediate term.

There has been some characterization that we did not have a stimulus bill signed into law before this or through the past 5 months because of a failure of one body or the other to take action. I think the reason we do not have a bill that is signed into law already was because we failed to work in a bipartisan fashion to structure a bill that would be focused on the immediate tax cuts that would provide that economic stimulus that was balanced to the appropriate benefits that needed to be provided to the unemployed workers in this country. I do not think we should be surprised that today when we pass this measure out of the House with broad bipartisan support that it is quite likely that we will see a bill that will be enacted and sent to the President's desk. There is a very simple lesson there, I think, that by working together and by being focused and finding a bill that can find that common ground, we can make a difference, we can advance policies that will ensure that we can see greater economic activity, and we can advance benefits that are going to provide some relief to a lot of the hard-working Americans who, unfortunately, have lost their jobs over the past few months.

Mr. THOMAS. Madam Speaker, it is my pleasure to yield 2½ minutes to the gentleman from Louisiana (Mr. MCCRERY), chairman of the Subcommittee on Select Revenue Measures of the Committee on Ways and Means.

Mr. MCCRERY. Madam Speaker, I first want to talk about why Republicans have stuck to our guns on insisting that extension of unemployment benefits be coupled with tax cuts for business so that they might create jobs and pull us out of this recession.

I am going to quote from an online publication of Business Week magazine from yesterday:

''Federal Reserve Chairman Alan Greenspan has repeatedly pointed out that the current recession was triggered by business cutbacks and said he'll need to see improved corporate demand before he's convinced the recovery is sustainable.

''Surveys of corporate buyers have consistently shown they plan only a gradual pickup in spending this year. Only 15 percent of respondents to a National Association of Manufacturers survey released on February 20 said they would increase capital spending by more than 5 percent in the first half of 2002.

□ 1200

''For the second half of 2002, only 25 percent of respondents said they expect to increase spending by more than 5 percent, but 54 percent said their increase would be in the zero- to 5-percent range.''

There is certainly a need, if we want to get out of this recession, if we want to create jobs and put people back to work, there is a need to give corporate America an incentive to invest; capital investment. That is what Chairman Greenspan is talking about.

Therefore, we have stuck to our guns and we have won today. We have a package that is going to pass this floor and go to the other body and, hopefully, will be passed there, that will not only give some relief to the unemployed in the form of benefit checks, but it will also give them some hope in the form of a future job.

Now, let us talk about the unemployment compensation benefits in this bill, because they are important. The gentleman from Maryland touched on them, but he did not go far enough in describing what is in this bill. Besides the extension of the 13 weeks of unemployment benefits, we also do what is known as a Reed Act distribution. That means that we are finally going to give to the States adequate monies for administration of the unemployment compensation system in the States, primarily the employment services portion of that system. That is what Congress has been shortchanging the States on for years now.

In this bill, we are going to make good on our promise to give them adequate funds to administer this program to get people back to work.

Mr. MATSUI. Madam Speaker, I yield 1 minute to the gentleman from Virginia (Mr. MORAN).

Mr. MORAN of Virginia. Madam Speaker, when we have bills that are the result of real compromise before us, it is incumbent upon us to find real consensus. The fact is that this is a balanced bill, and extending unemployment benefits for another 3 months makes sense. We all agree on that.

I also agree on the tax incentives. The capital equipment that is going to be purchased as a result of the 30 percent accelerated depreciation probably would have happened anyway, but it is going to happen now, it is going to be concentrated, it is going to give a real jump-start to the economy, and it is going to get those folks on unemployment now back into the workforce. Even the 5-year loss carry-back makes sense.

This is the kind of thing where the money that we are providing is going to be invested immediately for the productivity of our workforce with the capital investment, and it is going to be invested in the kind of plant and equipment that will ensure that these companies will be sustainable.

We have a great thing going for us. We have had a mini recession. There are certain things that we need to do to fill gaps, to build capacity in the economy, and we need to make sure that our working families can provide for their children.

This does it. It should be approved, and it should be approved unanimously.

Mr. THOMAS. Madam Speaker, I thank the gentleman for his kind words.

Madam Speaker, I yield 1 minute to the gentlewoman from Washington (Ms. DUNN), a member of the Committee on Ways and Means.

Ms. DUNN. Madam Speaker, I am pleased to hear preliminary reports that indicate that our economy might be back on track, but in Washington State, recovery will take longer. Our unemployment continues to go up, not down, for each round of Boeing layoffs. At 7.5 percent, it is the second highest in the Nation. Many analysts have projected it will grow to 8 percent, the highest unemployment in the Nation. So we can see why providing the benefits that we provide for unemployed people in this bill is crucial, but it is not enough, Madam Speaker.

It is also crucial to provide some help for businesses so that they will invest in workers and keep people employed. We know it is the private sector that creates jobs. Assisting them needs to be a focus of our recovery efforts. The tax provisions in this bill will encourage Washington State companies to begin investing again and keep people employed.

I urge passage of this bill.

Mr. MATSUI. Madam Speaker, I yield 1 minute to the distinguished gentleman from New Jersey (Mr. ANDREWS).

(Mr. ANDREWS asked and was given permission to revise and extend his remarks.)

Mr. ANDREWS. Madam Speaker, I rise in support of this bill because of what it does and what it does not do. I commend and thank the leadership of both parties for bringing us a bill that extends unemployment benefits, that provides meaningful incentives for people to invest in capital goods and get the business economy rolling again.

I also support the bill because it is not nearly as large as the other plans that were before us just a few weeks and months ago. The looming problem in this economy is the budget deficit. This bill adds only marginally to the budget deficit in the short run, and I believe it will subtract from it in the long run. But that problem is not going away. We are once again going to run this government on borrowed money, I believe because of the unduly large tax cut enacted last summer.

We have done a good job today in addressing the short-term problem, but we have a bigger job to do in the weeks and months ahead in addressing the looming train wreck with Social Security in the American economy because we are once again going to go back to the bad old days of the 1980s of running this government on borrowed money.

Let us stimulate this economy today, but let us solve the long-term problems in the future.

Mr. THOMAS. Mr. Speaker, it is my pleasure to yield 2 minutes to the gentleman from Pennsylvania (Mr. ENGLISH), a member of the Committee on Ways and Means.

Mr. ENGLISH of Pennsylvania. Mr. Speaker, I thank the chairman for yielding me this time.

I am here to express support for a bill that House Republicans are once again putting forward before the House in response to the pleas of American workers who have been laid off in the Arctic climate of this recession.

Mr. Speaker, it is critical that we pass this legislation, but, unfortunately, we have been missing many opportunities. Three times already we have passed the substance of this legislation with additional stimulus built in, passed it, and sent it to where it has been blocked by partisan obstructionism which I have neither the time, nor the inclination, nor the flexibility, under the rules of this House, to adequately explore.

What is important here is that we are laying forward a bill that helps American workers by extending unemployment benefits for 13 weeks. At a time when workers are having difficulty finding another job, they need that extension. It provides clear tax incentives for investment in good-paying jobs.

I represent a manufacturing district. This is precisely the sort of incentive that will allow manufacturers to pour money into capital equipment, modernize their production lines, improve productivity, and successfully compete globally. This is precisely the kind of incentive that is going to allow them to become more competitive and also boost the economy now at a critical time when it needs a boost.

The legislation that we face is the right mix in order to try to provide some relief for an economy that is still dragging and still very much at risk.

Mr. Speaker, it is critical that we pass this legislation now. If we cannot get the full-blown stimulus package that House Republicans have been advocating and that the President has been advocating, it is critical that we move this legislation forward to try to address at least some of the more obvious problems that we are facing.

Mr. MATSUI. Mr. Speaker, I yield 3½ minutes to the distinguished gentleman from the State of Washington (Mr. MCDERMOTT), a member of the Committee on Ways and Means.

Mr. MCDERMOTT. Mr. Speaker, I am really pleased that we finally got the hunting season settled for mourning doves yesterday so that we could finally get down and do something important.

Since September 12 when we tried to give $15 billion to the airline executives and stockholders, we have refused to deal directly and simply with the unemployment question. We have always had to have it wrapped with a whole bunch of tax cuts.

Now, we are out here today to pass a bill, and the price has gotten down low enough that a lot of us will support it. It will go out of here almost unanimously. We are going to give $14 billion over the next 3 years to the unemployed and $100 billion to the employers in the form of tax cuts.

We had a famous member of the other body from our State who used to say, I would like to find a one-armed economist, because on the one hand they say things are going up and on the other hand they say things are going down. I do not know whether this bill is for the going ups or the going downs, because I hear that the recession is all over, that we have pulled out of it already because of all of the great things we have done. So why do we need this stimulus package? Why are we putting in $100 billion taken from the Social Security money?

Over the next 3 years, the workers in this country are going to be paying Social Security so they can give a tax break to their bosses to buy more machines. Now, if we are out of the recession, then why do we need this stimulus package? We clearly need the money for unemployment for the 1.1 million people who have lost their jobs and lost their unemployment since 9–11. That is clear. But there is not any evidence that I see, at least from my State, that says they are all coming back to work now.

Now, if a guy has a plant and he has equipment, why is he going to go out and invest in more unless there is a market? If you have, as we have, an 8 percent unemployment rate in Seattle, anybody investing to make more, I guess it can just sit in the warehouse. That would be good business, I guess, although I have never run a business, so I would not know if it is a good idea. But it does not seem very smart to buy a bunch of machinery for something that one cannot sell. Until the economy starts and people are back working, it is going to be very hard to convince people to go and buy more high-priced electronic equipment and all of the things that have gone down.

Now, what is really aggravating about this is you will not give us a chance to have a pay-for, no chance to pay for it. No, no, no. This is the plan that says, if you are in a hole, keep digging. We are in a hole, and we are going to dig another $100 billion deeper, and we could reverse that. We could do something about that if we could have hearings and actually have meetings on this, but these things keep popping out of the committee without anybody ever having a chance to talk about them. We find out that, after all of these months, the State of Washington, we have to have a letter from the Department explaining how it is going to work.

I urge everyone to vote for a bad compromise.

Mr. THOMAS. Mr. Speaker, my understanding is the gentleman said that he was in favor of the bill? I did not hear the closing pitch. How ironic.

Mr. Speaker, it is my pleasure to yield 1½ minutes to the gentleman from Missouri (Mr. HULSHOF), a member of the Committee on Ways and Means.

Mr. HULSHOF. Mr. Speaker, I rise in support of the Job Creation and Worker Assistance Act.

This, Mr. Speaker, is the least we could do; literally, this is the least we could do, because of the political climate in which we find ourselves. This is a pragmatic solution.

There have been a number of speakers who lament the fact that we have not provided worker assistance in the past, and I would remind my colleagues that we have provided that assistance in the three prior true stimulus bills. Perhaps we have missed some opportunities, because we also had some health assistance for displaced workers. My colleagues may recall we had some simplification of the capital gains holding period that a lot of small businesses have been asking us about. We had relief from the punitive Alternative Minimum Tax, which, I remind my colleagues, economically hits businesses at a time when they can least afford to be hit with this tax; that is, times of economic slowdown.

Interestingly, the gentleman from Texas who spoke earlier talked about tax breaks for wealthy corporations. And yet, if these corporations are so wealthy, then why are we including a net operating loss carry-back?

The fact is that these economic downtimes have caused many businesses to become awash in red ink. Ford Motor Company, for instance, that was on the top 10 recipients of additional tax relief on a chart that my colleagues on the other side of the aisle used recently, announced a layoff of a plant in St. Louis, Missouri, which is going to affect about 2,500 workers.

Notwithstanding that, I think that this is a good bill and, as I have said before, inaction is not an option. I am glad that the House is finally acting.

Mr. MATSUI. Mr. Speaker, I yield the balance of my time to the distinguished gentlewoman from the State of California (Ms. PELOSI), the Democratic whip.

Ms. PELOSI. Mr. Speaker, I thank the gentleman for yielding and for his leadership on this very important issue.

Well, here we are 6 months later, four legislative attempts and millions of jobs lost, finally passing a package to extend unemployment benefits for those affected by the recession and the September 11 tragedy.

□ 1215

We have to review this legislation today in the context of this past year. One year ago, when the Clinton administration left office, we had the strongest economy in the history of our country. We had the biggest budget surplus in a generation.

What a difference a year makes. Under the Bush economic package, we started into a recession, we started into reversing the tendency towards surplus and moved into deficit, and we have been advancing policies under the Republican leadership in the House to raid Social Security.

Within that context came September 11, when we already had an economy moving into a recession. What a tragedy it was in so many respects for our country. Immediately this House acted, and probably appropriately, to bail out the airline industry in a matter of days from September 11.

Many of us wanted to vote in tandem for that bill and a bill that would help bail out all of the workers who lost their jobs as a result of September 11 in the airline industry and in the related hospitality industry.

But no, the emergency was only for the industry, and the workers would have to wait. So in good spirits and with good will, we voted for the airline bailout bill with the thought that the worker bailout would shortly come before us.

Six months later, we still do not have that comprehensive worker bailout bill on the floor. What we have before us today is the very least that we could do, the very least that we could do, to extend for 13 weeks the unemployment benefit package for the workers. Now we are at record numbers, 8 million unemployed in our country, record numbers of people going on unemployment every day.

So when we talk about this bill before us today, we say that at long last we can be relevant to the pain and suffering in the families of America's working people because we will extend the benefits. But this, as I said, is the very least that we can do. Much more needs to be done.

That is why next week the Democrats will launch a discharge petition calling to expand the number of people who would be available for unemployment benefits: temporary workers,

those below a certain wage scale. It would also include in it a health package benefit, so that there would be funding to allow people to take advantage of COBRA extension of their health benefits, because health benefits are a very, very important part of the job, and should be a very important part of an unemployment benefit package.

Mr. Speaker, today we certainly vote to extend the benefits for American workers' families, but we recognize that this, as I said, is the very least that we can do.

The fight continues. Next week we will continue with the discharge petition.

Mr. THOMAS. Mr. Speaker, I yield myself such time as I may consume.

First of all, Mr. Speaker, I want to thank the gentlewoman for her discordant, partisan remarks.

Mr. Speaker, I am very pleased to yield the remainder of our time to the gentleman from Illinois (Mr. HASTERT), the Speaker of the House of Representatives.

Mr. HASTERT. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I think today we have a bill that I hope we can vote for on both sides of the aisle. At least, that sounds like the debate that we have had.

Two or 3 weeks ago, we had a bill on the floor that basically did the same thing. We also had health care provisions. Last Monday, I received a letter from the minority leader that said ''I don't want UI and health care benefits put together in this bill.'' We took it out. Now we have a bill that basically has UI benefits.

We have three things that I think are important for this country, not only helping those people who are out of work, and they need help, but also, most people who are out of work will tell us one thing: They want a job. It is our job to help create jobs in this country.

There are some fundamental things we can do. First of all, all American families that work have accumulated some kind of wealth, either through 401(k)s or mutual funds or savings accounts or pensions. They lost value after September 11. Luckily, that value is starting to come back, and people are seeing that their savings are starting to be restored.

But that is a valuable asset that we have in this country. That is a valuable asset for every American family. We need to get confidence in those markets that people will put money back in again and see that value rise.

The second thing that we needed to do is get confidence in consumers, because what this Congress has done over the past 3 years is paid down $450 billion of public debt, so we do not have the Federal Government out there competing with the private sector for capital. We have helped keep interest rates low.

I say ''helped keep'' because the Federal Reserve has helped us, but they have been able to help us because we have done what we have done. With low interest rates, we read that housing starts are up 6 million last year, unprecedented in a time of recession, but this helped keep the economy going. The auto industry is going. A lot of things are starting back up. We have helped that happen. This bill will give consumers confidence, also.

The third thing that we needed to do, and we will do in this bill, is to help amass capital in very crucial spots so that money will be invested in creating jobs. Creating jobs is not a hocuspocus, or it is not something where we wave a wand over and it just happens. We have to create it. We have to make sure that there is capital amassed so people invest in new ideas, new construction, new capital equipment, and the ideas that create jobs in this country. That has been this Nation's strength. We do it in this bill.

We are going to be successful in the bill because 2 weeks ago we did not wave a white flag and say, ''We will just pass UI and we will roll over dead.'' We fought back, we got a good piece of legislation. I think that the Senate ought to pick this legislation up and pass it.

Mrs. CHRISTENSEN. Mr. Speaker, I rise in support of H.R. 3090, the Job Creation and Worker Assistance Act. I am pleased that we appear to be finally on our way towards giving relief to the millions of Americans who have exhausted their unemployment benefits.

I want to thank the Chairman and Ranking Democrat of the Ways and Means Committee, Representatives THOMAS and RANGEL for including the annual Tax Extenders bill in the H.R. 3090 which includes the very important extension of the Rum Cover-Over for the Virgin Islands and Puerto Rico. The Rum Rebate, as it is known in my district, is critically important because it is used to secure the bonds that the Government of Virgin Islands issues to pay for the public infrastructure needs of the territory.

Mr. Speaker, I applaud the leadership you and your fellow majority leadership members have shown in crafting an unemployment extension bill which has strong bipartisan support and which has a good chance of becoming law soon because it does not contain any of the controversial tax breaks that were included in earlier bills such as the repeal of the corporate minimum tax. On balance this is a good bill and I urge my colleagues to support its passage.

Mrs. MALONEY of New York. Mr. Speaker, I rise to express my relief that we are finally voting on legislation that will help unemployed Americans.

I have heard countless stories of working men and women who cannot find jobs in these uncertain economic times. Families have been crying out for help, and it's time that we give them the relief that they need.

The aftershocks of 9/11 have affected thousands of workers. In my state alone, unemployment has increased by almost 2 percent since last January.

More than one hundred thousand New Yorkers were displaced by the terrorist attacks, and they shouldn't shoulder the economic burden of 9/11 alone.

Federal grants to extend unemployment make sense not only for New York, but for the nation as a whole.

I am pleased that this legislation contains the 13-week extension of unemployment benefits.

However, we must continue our efforts to ensure that laid-off workers without health care benefits obtain the coverage that they need.

I only hope that this relief will not linger in conference so that workers will not have to worry about paying rent, sending their children to college, or going to the doctor.

It's time to pass this benefits package.

Mr. POMEROY. Mr. Speaker, I rise in strong support of H.R. 3090, the Job Creation and Worker Assistance Act of 2002. I only regret that it took five months for the majority to bring forward a responsible, bipartisan bill that provides assistance to unemployed workers, helps stimulate investment in our economy, but does not further harm our long-term budget outlook. Although the delay is unfortunate, we have a good bill on the floor today and I urge my colleagues to support it.

First, the bill helps unemployed workers by extending the limit on unemployment insurance from 26 to 39 weeks. Importantly, the bill also expands UI benefits by providing funds to assist part-time workers who have lost their jobs. At a time when 80,000 workers per week are exhausting their UI benefits, the 13-week extension in this bill is sorely needed. This Congress has been promising for months to help displaced workers; the bill before us finally delivers on that promise.

Second, the bill encourages new investment to help lift our sputtering economy. It provides businesses with a 30 percent bonus depreciation for plant and equipment placed in service after the terrorist attack of September 11. This will give businesses a powerful incentive to expand their operations and grow the economy. In addition, the bill extends the net operating loss carry-back from two years to five, so that businesses can take advantage of their loss deductions, freeing up funds for new investment.

Third, the bill extends expiring tax credits, including the Welfare-to-Work Tax Credit and the Work Opportunity Tax Credit. Importantly for North Dakota, the bill extends the taxable income limit for oil production from marginal wells and the tax credit for wind energy production. North Dakota is not only a major producer of oil, it is number one in the nation in the potential for energy generation from wind. Both of these provisions will be of significant benefit to my home state.

Finally, the provisions of this bill are temporary, which has two benefits. First, it will encourage businesses to act now, when new investment is needed most to boost the economy. Second, it will minimize the harm to the long-term budget outlook. As each of us knows, the 10-year budget is projected to divert $1.56 trillion from the Social Security trust fund. By limiting the term of these provisions, we stimulate the economy without setting back our efforts to balance the budget without using Social Security.

Mr. Speaker, I support this legislation and urge its adoption.

Mr. BLUMENAUER. Mr. Speaker, I rise today in strong support of the Job Creation and Worker Assistance Act of 2002. In extending unemployment benefits for 13 weeks, this

legislation goes a long way toward providing critical economic assistance to workers and small businesses around the country.

The current economic downturn has had a tremendous impact on the Pacific Northwest. The State of Oregon, in particular, has the highest unemployment rate in the country. Some of our most important market sectors, such as technology, agriculture, and forestry, have been hard hit in the last year. This legislation will help our state and our nation until people get back to work.

The bill before us today strikes a balance between the need to assist our country's workers while recognizing the very real financial constraints our government is facing. The 13-week extension of unemployment benefits will help the many in my district who have had trouble regaining employment due to the events of September 11th and the economic downturn and have exhausted their regular benefits.

In addition, I strongly support the provisions of the legislation on accelerated depreciation. Under current law, the recovery period for most personal property through the depreciation process is anywhere from three to 25 years. This legislation would allow a temporary additional first-year deduction of 30 percent for property that generally has a recovery period of 20 years or less, and was purchased on or after September 11, 2001. Small businesses and individuals around the country will be able to use this provision to recover more of their capital costs more quickly, in turn allowing them to use these funds to employ more workers and purchase more goods and services.

Finally, this legislation extends a number of important tax provisions, such as welfare-to-work, the tax credit for electric vehicles, wind and bio mass and, perhaps most important, tax incentives to encourage reconstruction and redevelopment of the New York ''Liberty Zone'' surrounding the World Trade Center. These tax incentives will provide further stimulus to those sectors of the economy desperately in need of assistance, while improving the livability of our communities.

Mr. Speaker, this legislation is absolutely necessary to ensure that workers in Oregon communities and across the country can provide for their families until they get back to work. I urge my colleagues to support the legislation.

Mr. UDALL of New Mexico. Mr. Speaker, it gives me great pleasure to rise today in support of a worker assistance measure that will finally benefit the men and women who need it the most—the unemployed. I am also happy to see that we were finally able to work in a bipartisan fashion to get important legislation crafted for individuals strongly in need of help.

I cannot tell you, Mr. Speaker, how many phone calls my office received from people who were nearing the end of their unemployment benefits, and were still struggling to find employment despite constant efforts to do so. Unfortunately, since last fall, Republicans have been playing nothing more than dirty pool by pushing so-called stimulus packages with accelerated tax cuts, corporate AMT refunds running back to 1986, and poorly conceived health insurance tax credits.

Nevertheless, as the old adage goes, ''it's better late than never.'' And, although Federal Reserve Chairman Greenspan is on the Hill today proclaiming that economic recovery is ''well under way,'' there are thousands of Americans, and many of New Mexicans who are still not seeing the benefits of a recovering economy. That is why I am glad the majority finally decided to do what is right and bring forth a real, meaningful worker assistance bill without controversial tax breaks.

I am pleased to support this legislation and urge my colleagues to do the same. Worker assistance is long overdue.

Mr. SHOWS. Mr. Speaker, today we are considering a measure to extend unemployment benefits for an additional 13 weeks.

On Monday we will mourn the 6-month anniversary of September 11. However, with this anniversary comes issues that Congress must address. Among those is the fact that unemployment benefits will expire on Monday. Unemployed Americans are counting on us to help them get through another difficult situation.

We keep hearing about the need to stimulate our sagging economy. Tough economic times were made worse in the aftermath of September 11th, but I can tell you that back in Mississippi too many people were losing their jobs before then.

And we can only blame ourselves for enacting trade policies that have sent Mississippi jobs packing across our borders. We did it with NAFTA and I am afraid we're going to do it again with Fast Track.

Since September 2001, more than 1.3 million Americans have exhausted their unemployment benefits. In Mississippi alone, more than 7,200 men and women have exhausted their benefits since November, compared to 4,700 unemployment workers during the same time period in 2000—a 54 percent increase. And we continue to experience new factory closures every week in Mississippi.

So, while we argue over ways to jump-start our sluggish economy, it is just as important that we help the victims of that economy.

This Congress has had ample opportunity to help our unemployed—our once working American families—but the leadership of this body chose not to act. This is why I filed the discharge petition to bring this bill to the floor. It's too bad we had to resort to this measure—to bypass regular order—to force action on this essential measure.

However, at least today we will and rectify this economic situation and help American workers who need their government to work for them in this difficult time.

Mr. HINOJOSA. Mr. Speaker, I rise today in support of the Job Creation and Workers Assistance Act, H.R. 3090. On behalf of my constituents in the 15th Congressional District of Texas, which has suffered from a chronic double-digit unemployment rate for decades, this bill is long overdue. I am glad that the majority decided to bring a bill to the floor upon which we have broad agreement, and which will be well received by the other body—the Senate.

Mr. Speaker, this bill represents the kind of constructive compromise that must be the cornerstone of our efforts to create public policy that promotes job growth and economic prosperity. This bill includes provisions that will provide much-needed relief to our unemployed workers who have been losing their benefits. It also provides effective and immediate tax relief that will help businesses to survive these difficult economic times and lead our Nation to renewed economic growth.

I applaud my colleagues on both sides of the aisle for coming together to craft this ''economically sound'' bill in our Nation's time of need, and I urge support for the resolution and the bill.

Mr. ETHERIDGE. Mr. Speaker, I rise in strong support of H.R. 3090, the Job Creation and Worker Assistance Act. This bill, like the bill the Senate passed a few weeks ago, extends unemployment benefits for 13 weeks and provides temporary tax relief for businesses that will truly help stimulate our economy. H.R. 3090 represents the kind of temporary, immediate and affordable relief I advocated for months.

Mr. Speaker, for months, the House Leadership has continued to bring up only sham tax bills instead of relief for unemployed workers. In fact, the worker relief package we are considering today could have been law months ago if House Republicans had not insisted on attaching controversial and ineffective tax breaks for special corporate interests to previous stimulus packages.

While the relief contained in H.R. 3090 is a step in the right direction, we must not stand pat. As we approach the six-month anniversary of the terrible events of September 11, Congress must pass additional common sense legislation to jump-start our economy and put our people back to work. We must address the issue of health insurance for the unemployed. Mr. Speaker, providing health insurance for the unemployed and extending unemployment benefits must go hand in hand. And we should enact visionary policies to prompt long-term economic growth, prosperity and opportunity for all Americans willing to work hard to make the most of their God-given abilities. I am hopeful that Congress will address these important priorities in the coming months.

The SPEAKER pro tempore (Mr. LATOURETTE). All time for debate has expired.

Pursuant to House Resolution 360, the previous question is ordered on the motion.

The question is on the motion offered by the gentleman from California (Mr. THOMAS).

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. THOMAS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 417, nays 3, not voting 15, as follows:

[Roll No. 52]

YEAS—417

Abercrombie	Berry	Buyer
Ackerman	Biggert	Callahan
Aderholt	Bilirakis	Camp
Akin	Bishop	Cannon
Allen	Blumenauer	Cantor
Andrews	Blunt	Capito
Armey	Boehlert	Capps
Baca	Boehner	Capuano
Bachus	Bonilla	Cardin
Baird	Bonior	Carson (IN)
Baker	Bono	Carson (OK)
Baldacci	Boozman	Castle
Baldwin	Borski	Chabot
Ballenger	Boswell	Chambliss
Barcia	Boucher	Clay
Barr	Brady (PA)	Clayton
Barrett	Brady (TX)	Clement
Bartlett	Brown (FL)	Clyburn
Bass	Brown (OH)	Coble
Becerra	Brown (SC)	Collins
Bereuter	Bryant	Combest
Berkley	Burr	Conyers
Berman	Burton	Cooksey

Costello	Honda	Murtha
Cox	Hooley	Myrick
Coyne	Horn	Nadler
Cramer	Hostettler	Napolitano
Crane	Houghton	Nethercutt
Crenshaw	Hoyer	Ney
Crowley	Hulshof	Northup
Culberson	Hunter	Norwood
Cummings	Hyde	Nussle
Cunningham	Inslee	Oberstar
Davis (CA)	Isakson	Obey
Davis (FL)	Israel	Olver
Davis (IL)	Issa	Ortiz
Davis, Jo Ann	Istook	Osborne
Davis, Tom	Jackson (IL)	Ose
Deal	Jefferson	Otter
DeFazio	Jenkins	Owens
DeGette	John	Oxley
Delahunt	Johnson (CT)	Pallone
DeLauro	Johnson (IL)	Pascrell
DeLay	Johnson, E. B.	Pastor
DeMint	Johnson, Sam	Paul
Deutsch	Jones (NC)	Payne
Diaz-Balart	Jones (OH)	Pelosi
Dicks	Kanjorski	Pence
Dingell	Kaptur	Peterson (MN)
Doggett	Keller	Peterson (PA)
Dooley	Kelly	Petri
Doolittle	Kennedy (MN)	Phelps
Doyle	Kennedy (RI)	Pickering
Dreier	Kerns	Pitts
Duncan	Kildee	Platts
Dunn	Kilpatrick	Pombo
Edwards	Kind (WI)	Pomeroy
Ehlers	King (NY)	Portman
Ehrlich	Kingston	Price (NC)
Emerson	Kirk	Pryce (OH)
Engel	Kleczka	Putnam
English	Knollenberg	Quinn
Eshoo	Kolbe	Radanovich
Etheridge	Kucinich	Rahall
Evans	LaFalce	Ramstad
Everett	LaHood	Rangel
Farr	Lampson	Regula
Fattah	Langevin	Rehberg
Ferguson	Lantos	Reyes
Filner	Larsen (WA)	Reynolds
Flake	Larson (CT)	Riley
Fletcher	Latham	Rivers
Foley	LaTourette	Rodriguez
Forbes	Leach	Roemer
Ford	Lee	Rogers (KY)
Fossella	Levin	Rogers (MI)
Frank	Lewis (CA)	Rohrabacher
Frelinghuysen	Lewis (GA)	Ros-Lehtinen
Frost	Lewis (KY)	Ross
Ganske	Linder	Rothman
Gekas	Lipinski	Roukema
Gephardt	LoBiondo	Roybal-Allard
Gibbons	Lowey	Royce
Gilchrest	Lucas (KY)	Rush
Gillmor	Lucas (OK)	Ryan (WI)
Gilman	Luther	Ryun (KS)
Gonzalez	Lynch	Sabo
Goode	Maloney (CT)	Sanders
Goodlatte	Maloney (NY)	Sandlin
Gordon	Manzullo	Sawyer
Goss	Markey	Saxton
Graham	Mascara	Schaffer
Granger	Matheson	Schakowsky
Graves	Matsui	Schiff
Green (TX)	McCarthy (MO)	Schrock
Green (WI)	McCarthy (NY)	Scott
Greenwood	McCollum	Sensenbrenner
Grucci	McCrery	Serrano
Gutierrez	McDermott	Sessions
Gutknecht	McGovern	Shadegg
Hall (OH)	McHugh	Shaw
Hall (TX)	McInnis	Shays
Hansen	McIntyre	Sherman
Harman	McKeon	Sherwood
Hart	McKinney	Shimkus
Hastert	McNulty	Shows
Hastings (FL)	Meehan	Shuster
Hastings (WA)	Meeks (NY)	Simmons
Hayes	Menendez	Simpson
Hayworth	Mica	Skeen
Hefley	Millender-McDonald	Skelton
Herger	Miller, Dan	Slaughter
Hill	Miller, Gary	Smith (MI)
Hilleary	Miller, George	Smith (NJ)
Hilliard	Miller, Jeff	Smith (TX)
Hinchey	Mink	Smith (WA)
Hinojosa	Mollohan	Snyder
Hobson	Moore	Souder
Hoeffel	Moran (KS)	Spratt
Hoekstra	Moran (VA)	Stark
Holden	Morella	Stearns
Holt	Murtha	Strickland
Stump	Tiberi	Watts (OK)
Stupak	Tierney	Waxman
Sullivan	Toomey	Weiner
Sununu	Towns	Weldon (FL)
Sweeney	Turner	Weldon (PA)
Tancredo	Udall (CO)	Weller
Tanner	Udall (NM)	Whitfield
Tauscher	Upton	Wicker
Tauzin	Velazquez	Wilson (NM)
Taylor (NC)	Visclosky	Wilson (SC)
Terry	Vitter	Wolf
Thomas	Walden	Woolsey
Thompson (CA)	Walsh	Wu
Thompson (MS)	Wamp	Wynn
Thornberry	Waters	Young (AK)
Thune	Watkins (OK)	Young (FL)
Thurman	Watson (CA)	
Tiahrt	Watt (NC)	

NAYS—3

Boyd	Stenholm	Taylor (MS)

NOT VOTING—15

Barton	Gallegly	Sanchez
Bentsen	Jackson-Lee (TX)	Solis
Blagojevich	Lofgren	Traficant
Calvert	Meek (FL)	Wexler
Condit	Neal	
Cubin		

□ 1246

Mr. BERRY changed his vote from ''nay'' to ''yea''.

So the motion was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Ms. SOLIS. Mr. Speaker, during rollcall vote No. 52 on H.R. 3090, to provide tax incentives for economic recovery I was unavoidably detained. Had I been present, I would have voted ''yea.''

PERSONAL EXPLANATION

Ms. SANCHEZ. Mr. Speaker, I was attending an important business meeting in Mexico with President Vicente Fox on March 7th dealing with International Women's Day.

Had I been present and voting, I would have voted ''nay'' on rollcall No. 51 and ''yea'' on rollcall No. 52.

GENERAL LEAVE

Mr. THOMAS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the motion just agreed to.

The SPEAKER pro tempore (Mr. LATOURETTE). Is there objection to the request of the gentleman from California?

There was no objection.

LEGISLATIVE PROGRAM

(Ms. PELOSI asked and was given permission to address the House for 1 minute.)

Ms. PELOSI. Mr. Speaker, I rise to inquire about the schedule for next week.

Mr. ARMEY. Mr. Speaker, will the gentlewoman yield?

Ms. PELOSI. I yield to the gentleman from Texas.

Mr. ARMEY. Mr. Speaker, I am pleased to announce that the House has completed its legislative business for the week.

The House will next meet for legislative business on Tuesday, March 12, at 12:30 p.m. for morning hour and 2 p.m. for legislative business. The House will consider a number of measures under suspension of the rules, a list of which will be distributed to Members' offices tomorrow. Mr. Speaker, that list will include the Born Alive Infant Protection Act.

On Tuesday, recorded votes will be postponed until 6:30. On Wednesday and on Thursday, I have scheduled H.R. 2341, the Class Action Fairness Act of 2002, for consideration in the House. I would also like to note that the Committee on the Judiciary has completed its markup of H.R. 2146, the Two Strikes and You're Out Child Protection Act; and I will be expecting to put that bill on the floor next week as well.

I thank the gentlewoman for yielding.

Ms. PELOSI. Mr. Speaker, reclaiming my time, I thank the gentleman for the schedule, but could he be more specific about the day that the Class Action Fairness Act of 2002 will be brought up?

Mr. ARMEY. Mr. Speaker, if the gentlewoman will continue to yield, we expect that bill to be on the schedule for Wednesday. I think we would plan on that.

Ms. PELOSI. Mr. Speaker, I thank the gentleman for that specific answer.

ADJOURNMENT TO MONDAY, MARCH 11, 2002

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 2 p.m. on Monday next.

The SPEAKER pro tempore (Mr. LAHOOD). Is there objection to the request of the gentleman from Texas?

There was no objection.

HOUR OF MEETING ON TUESDAY, MARCH 12, 2002

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that when the House adjourns on Monday, March 11, 2002, it adjourn to meet at 12:30 p.m. on Tuesday, March 12, for morning hour debates.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

PERMISSION FOR COMMITTEE ON THE JUDICIARY TO HAVE UNTIL 7 P.M., MONDAY, MARCH 11, 2002, TO FILE A REPORT ON H.R. 2341, CLASS ACTION FAIRNESS ACT OF 2001

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary have until 7 p.m. on Monday, March 11, 2002, to file a report to accompany the bill (H.R. 2341) to amend the procedures that apply to consideration of interstate class actions to assure fairer outcomes for class members and defendants, to outlaw certain practices that provide inadequate settlements for class members, to assure that attorneys do not receive a disproportionate amount of settlements at the expense of class members, to provide for clearer and simpler information in class action settlement notices, to assure prompt consideration of interstate class actions, to amend title 28, United States Code, to allow the application of the principles of Federal diversity jurisdiction to interstate class actions, and for other purposes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

ANNOUNCEMENT BY COMMITTEE ON RULES REGARDING AMENDMENTS TO H.R. 2341, CLASS ACTION FAIRNESS ACT OF 2001

(Mr. DREIER asked and was given permission to address the House for 1 minute.)

Mr. DREIER. Mr. Speaker, the Committee on Rules may meet on Tuesday, March 12, 2002, to grant a rule for the consideration of H.R. 2341, the Class Action Fairness Act.

The Committee on Rules may grant a rule which would require amendments be printed in the CONGRESSIONAL RECORD prior to their consideration on the floor. Any Member wishing to offer an amendment should submit 55 copies of the amendment and one copy of a brief explanation of the amendment to the Committee on Rules in room H–312 in the Capitol no later than 1 p.m. on Tuesday, March 12.

The Committee on the Judiciary intends to file its report on the bill on Monday, March 11. The Committee on Rules will post the Committee on the Judiciary version of the bill on the Web site of the Committee on Rules as soon as it becomes available. Members should draft their amendments to the bill as reported by the Committee on the Judiciary.

Mr. Speaker, Members should use the Office of Legislative Counsel to ensure their amendments are properly drafted and should check with the Office of the Parliamentarian to make sure their amendments comply with the rules of the House.

PROVIDING AMOUNTS FOR FURTHER EXPENSES OF PERMANENT SELECT COMMITTEE ON INTELLIGENCE IN SECOND SESSION OF 107TH CONGRESS

Mr. NEY. Mr. Speaker, I ask unanimous consent that the Committee on House Administration be discharged from further consideration of the resolution (H. Res. 359) providing amounts for further expenses of the Permanent Select Committee on Intelligence in the second session of the One Hundred Seventh Congress, and ask for its immediate consideration in the House.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

Mr. HOYER. Mr. Speaker, reserving the right to object, I take this time to ask the distinguished chairman of the Committee on House Administration for an explanation of his unanimous consent request.

Mr. NEY. Mr. Speaker, will the gentleman yield?

Mr. HOYER. I yield to the gentleman from Ohio.

Mr. NEY. Mr. Speaker, House Resolution 359 is a supplemental funding resolution for the House Permanent Select Committee on Intelligence.

Mr. Speaker, as my colleagues know, each Congress passes a committee funding resolution to authorize committee spending. My colleague and I, the gentleman from Maryland, passed a very good and effective committee funding resolution that keeps the House in proper movement.

This process normally occurs at the beginning of each Congress. The committee funding process for the 107th Congress was completed in March of 2001 with the overwhelming passage and overwhelming bipartisan agreement of House Resolution 84, a bipartisan initiative which not only provided committees with the necessary resources to carry out their important work, but which also set new standards for allocating funds between majority and minority staffs.

I want to again thank the gentleman from Maryland and all the members of the committees, both sides of the aisle, ranking members and Chairs of the committees, for their tremendous and great cooperation.

Those funds more than adequately provided for committees to do the necessary work which they are charged to do in the 107th Congress. Unfortunately, because of the tragic and devastating attacks of September 11, we find it necessary to come to the House floor to seek additional spending authority for the House Permanent Select Committee on Intelligence.

The increased spending authority would be used to fund a joint bicameral inquiry with our counterparts from the other body into the activities of the intelligence community before, during, and since the September 11 terrorist attacks. Among the purposes of this joint effort is ascertaining why the intelligence community did not learn of the conspiracy to launch the September 11 attacks in advance and to identify what, if anything, might be done to better position the intelligence community to warn of and prevent future terrorist attacks and other threats in the 21st century.

The investigation will principally focus on the U.S. intelligence agencies and their activities, as well as the interaction between intelligence agencies and nonintelligence entities associated with our national security. Based on their findings, the committee may seek to enact changes in order to remedy any systemic deficiencies revealed by the joint inquiry.

The decision to conduct a bicameral bipartisan review by the two intelligence committees is supported by both the gentleman from Florida (Mr. GOSS), chairman, and the gentlewoman from California (Ms. PELOSI), the ranking member of the House Permanent Select Committee on Intelligence, along with the chairman and ranking member of the Senate Select Committee on Intelligence.

Review of the activities of the intelligence community through this joint effort is necessary for several reasons. To begin with, the two intelligence committees, House and Senate, are best suited by experience and practice to protect classified information. Since a significant portion of the investigation must include review and access to highly sensitive classified materials in order to fully understand intelligence actions, review by both committees is appropriate and needed.

Secondly, due to the fact that our Nation will be involved for some time in the war against terrorism, a bicameral review will allow the most effective use of time and manpower for those agencies that are still involved in protecting, investigating, and compiling information for our continued campaign against terror.

Third, by offering to approach the investigation in this manner, the committees have secured White House assurances that access to critical information necessary to do a thorough job will absolutely be provided.

And, finally, the unprecedented nature of the terrorist attacks demands an unprecedented response. An inquiry by the elected representatives of the people will ensure that we give the American people the explanation they deserve regarding the events of that infamous day.

The inquiry will consist of joint hearings, both open and closed, and will be conducted once the initial data gathering and interviews are completed. The inquiry is expected to last through the 107th Congress and could quite possibly extend into the next Congress, though this resolution only authorizes funds for this Congress.

Should the work continue into the 108th Congress, the House rules regarding interim committee funding will be

used to continue funding the committee, the inquiry, and all other committees as usual.

So, Mr. Speaker, we come to the floor today with a resolution to authorize $1.6 million in additional spending authority for the House Permanent Select Committee on Intelligence. Although the committee already received an increase in its funding for efforts regarding terrorism, that effort is looking more broadly into terrorism and our Nation's preparedness rather than focusing in, in a comprehensive way, on the specific day of September 11. As I stated earlier, the resources made available to the committee which were allocated in the beginning of the committee funding process for the 107th could not have possibly taken into account what happened to this country on September 11. That is why it is necessary for us to augment both the funding levels and staff levels for the committee so that they may conduct a proper inquiry.

The amount being requested is approximately one-half of the total amount needed to hire staff and cover related administrative expenses, such as office supplies, travel, and computer systems. The other body, in separate action, has already allocated funds to its committees for the same purposes.

With that, Mr. Speaker, I ask for support of this resolution. We all know if we fail to learn from the mistakes of the past we are doomed to repeat them. I hope this inquiry will help us to learn from our mistakes so we can avoid a recurrence of these horrific events.

In closing, I would also note that this House was ahead of its time. Because last year, when we did the funding resolution, we gave the proper increases to the Permanent Select Committee on Intelligence before we ever could have dreamed what would have happened here in the United States. This, again, I think, is ahead of its time so that we can look back into what happened to help us in the future, not only to protect the United States but to, frankly, protect the world.

I thank the distinguished gentleman from Maryland for not only his cooperation but for yielding to me.

Mr. HOYER. Further reserving my right to object, Mr. Speaker, I yield to the gentlewoman from California (Ms. PELOSI), the distinguished ranking member of the Permanent Select Committee on Intelligence and the minority whip.

(Ms. PELOSI asked and was given permission to revise and extend her remarks.)

Ms. PELOSI. Mr. Speaker, I thank the gentleman from Maryland for his leadership and that of the distinguished chairman for facilitating this request and bringing it to the floor.

Mr. Speaker, I support this legislation.

Next Monday is the six-month anniversary of the terrorist attacks in New York City, Pennsylvania, and at the Pentagon. With the war against the al Qaeda network, and terrorism generally, well underway, it is important that the process of determining why the September 11 attacks were not prevented receive appropriate attention in Congress.

The performance of the intelligence agencies is an essential part of the September 11 story, and it is the responsibility of the House and Senate intelligence committees to thoroughly assess that performance. It is the judgment of the committees that a joint inquiry is the best way to get at the facts and recommend changes as supported by the facts. The committees intend that the inquiry will ascertain why the agencies did not learn of the attacks in advance and identify what, if anything, might be done to better position the agencies to warn of, or prevent, future terrorist actions against the United States.

The joint inquiry will be a considerable challenge and will require additional resources, primarily for staff. The measure now under consideration provides these resources, and I urge its adoption so that we may proceed as quickly as possible on this important task. Additional resources and staff positions have been provided by the Senate. It should be made clear that, although we intend for this inquiry to be comprehensive as far as the intelligence agencies are concerned, it will not be exhaustive of all of the issues surrounding the September 11 attacks. Other committees may want to examine matters within their jurisdiction and, at some point, it may be appropriate to consider the creation of an entity outside of Congress to take an across the board look at all of the components of the September 11 disaster. Our purpose in undertaking this joint inquiry, and in seeking funds to do it properly, is not to foreclose any other review, but to ensure that the intelligence committees properly discharge the oversight responsibility given to them by the House and Senate.

Mr. HOYER. Mr. Speaker, under my reservation of objection, I certainly join the chairman of the Committee on House Administration in strong support of this funding resolution, which I think is appropriate, and I congratulate both the chairman and the ranking member, as well as the other body for the process that they have adopted to proceed on this matter, which I think will be efficient and effective.

Mr. Goss. Mr. Speaker, I rise today to express my strongest possible support for the passage of this resolution, which will provide urgently needed funds to support an unprecedented bipartisan and bicameral inquiry. This joint congressional inquiry, involving the Members and staff of both the House Permanent Select Committee on Intelligence and the Senate Select Committee on Intelligence, has several critical tasks: first, to review the events and the actions of our Government leading up to the terrorist attacks of last September; second, to ascertain accountability within our Government for the management of counterterrorist and homeland security functions, focusing specifically on our intelligence mechanisms; and third, to ensure that our Government is properly informed and prepared with accurate and timely intelligence to stop current and future terrorist attacks against our Nation and our people.

This joint inquiry is being handled on an urgent basis by the leadership of both parties in both Houses and with the full cooperation of the relevant agencies of the executive branch. This inquiry is critically important to enhancing our Nation's security against the threat posed by global terrorism and to strengthening public confidence that our intelligence and law enforcement agencies are fully prepared to defuse the terrorist threats that now confront our Nation.

I want to thank the Ranking Member for her participation and her counsel in structuring the joint inquiry with the other body. I also want to express my sincere appreciation to Chairman NEY and Mr. HOYER of the House Administration Committee for their close cooperation and advice in moving the joint inquiry forward on an expedited basis.

Mr. HOYER. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the resolution, as follows:

H. RES. 359

Resolved,

SECTION 1. FURTHER EXPENSES OF THE PERMANENT SELECT COMMITTEE ON INTELLIGENCE.

For further expenses of the Permanent Select Committee on Intelligence, there shall be paid out of the applicable accounts of the House of Representatives not more than $1,600,000.

SEC. 2. LIMITATION.

Amounts shall be available under this resolution for expenses incurred during the period beginning at noon on January 3, 2002, and ending immediately before noon on January 3, 2003.

SEC. 3. VOUCHERS.

Payments under this resolution shall be made on vouchers authorized by the Permanent Select Committee on Intelligence, signed by the chairman of such committee, and approved in the manner directed by the Committee on House Administration.

SEC. 4. REGULATIONS.

Amounts made available under this resolution shall be expended in accordance with regulations prescribed by the Committee on House Administration.

SEC. 5. ADJUSTMENT AUTHORITY.

The Committee on House Administration shall have authority to make adjustments in amounts under section 1, if necessary to comply with an order of the President issued under section 254 of the Balanced Budget and Emergency Deficit Control Act of 1985 or to conform to any reduction in appropriations for the purposes of such section 1.

The resolution was agreed to.

A motion to reconsider was laid on the table.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. PENCE) is recognized for 5 minutes.

(Mr. PENCE addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. PALLONE) is recognized for 5 minutes.

(Mr. PALLONE addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. GANSKE) is recognized for 5 minutes.

(Mr. GANSKE addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from the District of Columbia (Ms. NORTON) is recognized for 5 minutes.

(Ms. NORTON addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

HONORING OZARKS SOLDIERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri (Mr. BLUNT) is recognized for 5 minutes.

Mr. BLUNT. Mr. Speaker, in the last few days, beginning on Saturday, two individuals from my congressional district gave their lives in Afghanistan: one, a 34-year-old warrant officer in Special Forces; another, a 31-year-old sergeant, both of whom had clearly dedicated their lives and, in so many ways, dedicated their own families to protecting our freedoms and protecting our country.

As I was thinking about what I wanted to say today about them on the House floor, I read an editorial from a Springfield, Missouri, newspaper yesterday; and I think I would like to just enter that editorial in the RECORD and share it today as we think about the fact that we honor these men and women and the others who are putting their lives in harm's way for us.

Let me share that material with the Speaker and the Members here and then enter it fully in the RECORD. The editorial starts out: ''From the beginning of the war in Afghanistan, President Bush has warned Americans to be prepared for casualties. Now we have them, and the pain of this war has been felt in the Ozarks. It has taken two of our neighbors: Chief Warrant Officer Stanley Harriman. Sergeant Philip J. Svitak.

□ 1300

''Harriman, a Strafford High School graduate, was the first American to die in the ground offensive on al Qaeda and Taliban strongholds in eastern Afghanistan. Svitak, of Joplin, was among the seven soldiers killed in incidents involving two American helicopters.

''They are not faceless casualties. They were flesh-and-blood men who touched others in their hometowns. Harriman was described as soft-hearted, sensitive to the suffering of others, yet a fierce competitor on the football or baseball field. Svitak was an only child who wanted to be like his parents, who both served in the Navy in the 1960s. Each leaves a wife and two young children.

''Harriman and Svitak were devoted to the Army and their country. 'Stanley died for you and you and you,' his wife, Sheila Harriman, told reporters at Fort Bragg, North Carolina, 'and for your freedom. All Stanley ever wanted to do was be an American soldier.'

''Both soldiers knew the dangers of their jobs. Both knew that by making the military their career, they could be asked to put their lives on the line for their country at any time.

''Roseann Svitak said her son 'told me before he went, Mom, the terrorists have to be stopped.' He said, 'If they send me over there and anything happens to me, I am proud to die for my country.'

''Both men were sent. Both died, leaving friends, family, children to grieve and remember. They join John Willett and Craig Amundson, Ozarks natives who died in the September 11 attacks on New York and Washington. They are, for us in southwest Missouri, the faces of this war.

''Six months after those attacks, the Nation has largely returned to life as normal. Networks seek to reduce news programming to make room for more entertainment. Crash reality shows move back up in the ratings. Politicians again plot for their advantage.

''Yet the war continues, not a mop-up action but a full-scale assault. Our neighbors are on the front line. Our neighbors are dying. That ultimate sacrifice ought to mean something. The politicians will tell us it is in defense of liberty, and they are right. But it is up to us to decide what we will do with this liberty. Will we use it to keep the government honest, to be aware of what is happening in the rest of the world, to assure all Americans equal opportunity? Or will we use it to pay more attention to contestants on Survivor than soldiers in Afghanistan?

''Ozarkers are dying for freedom. How will we honor their sacrifice?''

[From the Springfield News Leader, Mar. 6, 2002]

HOW WILL WE HONOR OZARKS SOLDIERS?

Harriman and Svitak died fighting for our freedom.

From the beginning of the war in Afghanistan, President Bush has warned Americans to be prepared for casualties. Now we have them, and the pain of this war has been felt in the Ozarks. It has taken two more of our neighbors:

Chief Warrant Officer Stanley Harriman.

Sgt. Philip J. Svitak.

Harriman, a Strafford High School graduate, was the first American to die in the ground offensive on al-Qaida and Taliban strongholds in eastern Afghanistan. Svitak, of Joplin, was among the seven soldiers killed in incidents involving two American helicopters.

They are not faceless casualties. They were flesh-and-blood men who touched others in their hometowns. Harriman was described as soft-hearted, sensitive to the suffering of others, yet a fierce competitor on the football or baseball field. Svitak was an only child who wanted to be like his parents, who both served in the Navy in the 1960s.

Each leaves a wife and two young children.

Harriman and Svitak were devoted to the Army and their country. ''Stanley died for you and you and you,'' his wife, Sheila Harriman, told reporters at Fort Bragg, NC, ''and for your freedom. All Stanley ever wanted to do was be an American soldier.''

Both soldiers knew the dangers of their jobs. Both knew that by making the military their career, they could be asked to put their lives on the line for their country at any time.

Roseann Svitak said her son ''told me before he went, 'Mom, the terrorists have to be stopped.' He said, 'if they send me over there and anything happens to me . . . I'm proud to die for my country.'''

Both men were sent. Both died, leaving friends, family, children to grieve and remember.

They join John Willett and Craig Amundson, Ozarks natives who died in the Sept. 11 attacks on New York and Washington. They are, for us in southwest Missouri, the faces of this war.

Six months after those attacks, the nation has largely returned to life as normal. Networks seek to reduce news programming to make room for more entertainment. Crass reality shows move back up in the ratings. Politicians again plot for their advantage.

Yet the war continues, not a mop-up action but a full-scale assault. Our neighbors are on the front line. Our neighbors are dying.

That ultimate sacrifice ought to mean something. The politicians will tell us it is in defense of liberty, and they are right. But it is up to us to decide what we will do with this liberty. Will we use it to keep government honest, to be aware of what is happening in the rest of the world, to assure all Americans equal opportunity? Or will we use it to pay more attention to contestants on ''Survivor'' than soldiers in Afghanistan.

Ozarkers are dying for freedom. How will we honor their sacrifice?

The SPEAKER pro tempore (Mr. LAHOOD). Under a previous order of the House, the gentlewoman from California (Ms. WATSON) is recognized for 5 minutes.

(Ms. WATSON of California addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

ASSISTING VETERANS WITH PRESCRIPTION DRUG COPAYMENTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. STRICKLAND) is recognized for 5 minutes.

Mr. STRICKLAND. Mr. Speaker, I rise today to urge my colleagues in this House to sign on to a bill which I have introduced, H.R. 2820. H.R. 2820 is a bill that would help our veterans.

In the early part of February, 2002, a decision was made to increase the prescription co-payment for veterans from $2 a prescription to $7 a prescription. To me this is an unacceptable action and it hurts our veterans, many of whom live on fixed incomes and simply cannot absorb this increased cost.

To put it in perspective, the Veterans Hospital in southern Ohio, where I serve, tells me that the average veteran who gets a prescription medication there on average gets 10 or more prescriptions. So if we take $7 a prescription and we multiply it by 10, that is $70 per month. Many of these veterans receive a 3-month supply of medications at a time. Three times $70 is $210. If I multiply the cost of a 1-month supply of medication at $7 per prescription for 10 prescriptions, that is $840 per year.

Mr. Speaker, I think this is an unnecessary burden to place upon our veterans. We hear a lot of lofty rhetoric in this Chamber about how we appreciate the fact that so many American citizens are willing to serve in our military, and many of them give their lives and limb in order to protect our freedoms.

It seems so inappropriate at this time in our Nation's history to place this additional burden upon our veterans. So I have introduced H.R. 2820. I have over 75 cosponsors at this time, bipartisan cosponsors, and I am happy to say the gentleman from Ohio (Mr. NEY) has introduced this legislation with me. This legislation is very simple. It would simply return the cost of the co-payment for a prescription drug from the $7 that has been imposed down to the $2 level where it has been. It would freeze the co-payment at the $2 per prescription level for the next 5 years.

Mr. Speaker, surely when we can find the resources to give a $15 billion bailout to our airline industry, surely when we can find the resources to give tax breaks, surely when we can find the resources to do a whole host of other things in this Chamber, we can find the resources that will enable us to keep from imposing this additional burden upon our Nation's veterans.

So, once again, I ask all of my colleagues of both parties in this House to simply cosponsor H.R. 2820 so that we can remove this burden which has been placed upon our veterans.

Mr. Speaker, in closing, I would like to mention another burden for our veterans. For category 7 veterans, there is a proposal that we would place upon them an annual $1,500 deductible when they go to our veterans' health centers and clinics and hospitals to receive medical attention. This also seems like something that we should take action to prevent in this Chamber. I urge my colleagues, this is something that we can do. We ought to do it. I believe if Members talk to veterans around the country, this is something that they are keenly aware of and keenly object to.

We can solve this problem regarding the prescription co-pay by passing this very simple but important piece of legislation, H.R. 2820.

PRESIDENTIAL DECISION ON STEEL IMPORTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. BROWN) is recognized for 5 minutes.

Mr. BROWN of Ohio. Mr. Speaker, I rise to comment on President Bush's decision to levy up to a 30 percent tariff on steel imports coming into the United States. I am glad the President took a step forward, something that we hoped he would do, but he did much less than we asked. Steel companies, steelworkers, elected officials representing steel States, asked the President to levy 40 percent tariffs for 4 years, something to level the playing field for imported steel in the United States.

The International Trade Commission had found that steel companies in foreign lands, especially in Russia, Brazil, Korea, and China had violated international trade laws by subsidizing and selling into our market illegally priced steel, so-called dumping. The President had the option of levying tariffs up to 40 percent for 4 years. That is clearly what we needed for LTV in Cleveland, for RTI in Lorain, for CSC in Warren, Ohio, and steel companies all over this great country from Alabama to Ohio to Michigan, to Indiana, wherever steel is made in the United States.

Unfortunately, the President's decision to do up to 30 percent, understanding that it was not 30 percent in every case but up to 30 percent for only 3 years, fell short on that mark. It also fell short because the 30 percent is phased out during those 3 years.

The second thing that the President neglected to do was deal with the issue of legacy costs. That is those costs of health care and pensions that companies have promised to steelworkers that in many cases the commitment will not be met.

So on the one hand steelworkers with their health care are left out in the cold, those people who are retired. Second, those companies that absorbed legacy costs are in a competitive disadvantage with the rest of the world because most countries have universal health coverage provided by a government program, while in the United States in our employment-employer based health care system, the steel companies and other companies pay for the cost of the health care. So that puts us at a competitive disadvantage there.

It also is an argument for universal coverage because all American companies are at a competitive disadvantage when the government provides the health care in a Medicare-type system that most countries around the world have. Yet, in America, employers must pick up those health care costs.

The third problem with the President's decision on steel and where he fell short and the reason for my disappointment is that the President opened up several loopholes in his tariff proposals, in his tariff enactments. For instance, there is a Mexico exception which allows companies in China, Korea, Japan and other places to sell their steel into Mexico at very low or nonexistent tariff rates. Then Mexico will sell that steel into the United States at a zero tariff because of the North American Free Trade Agreement.

So that Mexico exception allows those companies which have illegally priced their steel according to the International Trade Commission to back-door their steel through Mexico into the United States at no tariff. All Mexico has to do, if even that, is a Mexican company needs to do a little value added to the steel, stamp Made in Mexico, and send it into the United States.

Mr. Speaker, that could be a difficult thing to do, except that we do not police our borders well enough. We do not have tariff and customs inspectors in as nearly a comprehensive way as we ought to have.

Those are the problems with the Bush tariff plan. One, it is not 40 percent over 4 years. It falls woefully short. Second, it does not deal with the legacy costs which is unfair to those retirees. LTV workers lose their health care March 31. Other retirees have already lost theirs. It does not deal with the legacy costs for those companies that are continuing to produce steel. And, third, it creates the Mexico exception. That will hurt our steel industry. It is a question of national security. That will hurt our steelworkers. It is a question of our communities.

TRIBUTE TO TECHNICAL SERGEANT JOHN A. CHAPMAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. MCINTYRE) is recognized for 5 minutes.

Mr. MCINTYRE. Mr. Speaker, I offer my deepest condolences to the family and friends of Technical Sergeant John A. Chapman of the Twenty-fourth Special Tactics Squadron of the United States Air Force who gave his life in the service of our country. I join with his family and friends in paying tribute to him for his ultimate sacrifice on behalf of our Nation. My prayers are for his family.

John Chapman was a decorated soldier who readily and courageously participated in Operation Enduring Freedom. Among his many awards and decorations were: two Air Force Commendation Medals, two Air Force Achievement Medals, and two Joint Service Achievement Medals.

This tragedy should act as a reminder to all Americans that the liberties we hold dear are neither free nor secure. Our freedoms are earned and protected by our servicemen and women. They risk their lives so that freedom may survive.

□ 1315

Technical Sergeant Chapman's courage in the face of danger reflects a

character born of his commitment to his family as a devoted husband, father, and son, and his commitment to his many friends and to our country.

We owe Technical Sergeant John Chapman our sincere appreciation for his 17 years of committed service to our Nation. His determination, devotion, and dedication to freedom should serve as an example for us all. It is important that we not only remember John as an excellent and dedicated airman and family man but also as the American hero that he is.

May God bless him and his family and those who have served with him. May God bless our great country. We indeed are a better Nation because of John Chapman and those who serve with him in our Nation's Armed Forces.

IMMIGRATION

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, the gentleman from Colorado (Mr. TANCREDO) is recognized for 60 minutes as the designee of the majority leader.

Mr. TANCREDO. Mr. Speaker, recently a study was conducted by the GAO, the General Accounting Office. It was to look into the degree of fraud in the immigration benefits program. I have oftentimes, Mr. Speaker, taken the microphone for the purpose of identifying what I believe to be our serious concerns in this particular agency. There are, of course, many people who work in this agency, many people who are assigned especially on the border, assigned with the task of trying to defend our borders, trying to actually make sure that people do not come into the country illegally.

This is an overwhelming task. I commend those people for doing everything they can to uphold the laws of the United States. But it is something I have likened to trying to keep back a flood with a sieve because of the variety of conflicting laws that have been passed by this Congress, because of the culture within the INS which has absolutely no support for upholding the laws, the immigration laws of this land, and because they are just overwhelmed by the numbers. I have often brought those things to the attention of the Congress. I have personally been to the border. Several Members and I took a CODEL down there just a month and a half ago or so. We observed firsthand the problems that are confronted by our people there on the border. I know and I sympathize and I understand their problems. They not only face the daunting task of trying to deal with the hundreds of thousands of people a day that come into the United States and determine whether or not they are coming here legally, for what purpose, for how long and that sort of thing, and they not only face the, as I say, conflicting laws that have been passed by Congress, some designed to enhance border security, others designed to degrade it, but they are also, it is apparent now, working within a system that is broken beyond the ability for us to fix it. In their own system, they realize that they cannot look to anyone higher up on the ladder, those people that are there today who, as I say, are in the trenches, either on the borders or the people who work in customs, all of them recognize that the system in which they are operating is broken.

Recently, I returned from overseas. As my wife and I were going through customs at JFK in New York, the lady looked up and she said, ''I think I recognize you. I actually watch C–SPAN. I think I recognize you. Aren't you on?'' I said, ''Yes, I have been on often talking about immigration-related issues.''

She just hung her head the minute I said it, she said, ''Oh, yeah, that's right, it is such a mess. Don't get me started on this. I don't know where to start. It is a mess.'' Her brief response to the word immigration, immigration policy, is I think probably the best analogy I can give you to the whole system. It is a mess. That is the best example I can give you, the best definition of the system I can give you. It is a mess. This recent report of the GAO is just the most recent example of the problem.

We have actually had over the course of the last 10 years several reports done by a variety of different agencies all on the INS talking about the inefficiency in the organization, their inability to get the job done, even referencing their lack of a true desire to get the job done.

Mr. Speaker, the INS, as you know, is divided into two parts at the present time. They have two different functions within the same organization. Maybe that is part of the problem, because these responsibilities conflict with one another. One part of the INS, Immigration and Naturalization Service, is designed to be what I call the immigration social work side, that is, to find benefits for people coming to the United States, hopefully legally, help them get their green card, help them get visas, all the things that are attendant to people coming into the United States legally and then being able to function when they get here. All of that stuff is part of their responsibility.

Then on the other side, of course, is the enforcement arm. The INS is supposed to be the agency to which we go when we say, look, we are concerned about the number of people coming across the border illegally; we are concerned about not knowing who is here, when they are here and what they are doing here and we are supposed to rely on them to do something about it.

But, as you know, as most of the Members of this body know, the INS is completely incapable and to some extent it is not really desirous of taking on that role. There are literally scores of examples to show that. The fact that 19 of these hijackers on September 11 came here on visas, some of them, of course, then expired, some people were here illegally at the time that it happened and the inability of the INS to control that process is a dramatic example, one dramatic event that happened as a result of their inability to actually know who is in the United States, know for what purpose they are here and know when they have overstayed their visa, for instance, so that they can in fact be deported. But the INS pays little, if any, attention; and they will tell you when you call them and ask them, do you actually go out and look for people who are here illegally. Their answer is, Well, of course not. That's not our job.

I was on the radio not too long ago with a lady who is the spokesperson for the INS in the Denver area and she said, really, that is not what they do anymore. They do not go out on sites and look for people who are here illegally. Really, our job is just to explain to them why they are here illegally and then help them get benefits. That was her statement. It was almost incredible, but that was what she said. That is what they think, that it is not their job. They will say, well, we do not have the resources, we do not have the time; but what they actually should add to it is, we do not have the inclination. It is really not in our makeup. It is not what we want to do. We want to be the social work side of it. That is what we can do well. We do not really do this very well, this sort of becoming a policeman. We do not like that idea. So they shy away from it.

We have had calls in my office from incredibly frustrated INS inspectors, from INS agents, sometimes who have been on board for 30 years. The caucus that I head, the Immigration Reform Caucus, has actually held hearings bringing these people in so they can talk and vent some of their frustration. It is incredible the stories they tell. They have every reason to be frustrated, because they work for an agency that is dysfunctional; and they are trying to do a job that is not supported by the agency itself. It would drive you nuts. I can certainly understand it.

We have had calls from judges who will tell us that they are immigration law judges, and they are also frustrated by the fact that day after day after day they see people in front of them who have committed crimes in the United States besides, by the way, being here, probably many of them, illegally but they have committed crimes and they are aliens and so they are ordered to be deported by a judge. But because they turn that function over to the INS right after the gavel falls and the person is ordered to be deported, they turn that function over to the INS and the INS simply looks the other way.

So at this point in time, we have at least, and I underline at least, because when you ask the INS for specific information, they come back with the same response. In fact, it is the logo that I have designed for the INS. It

should be on their letterhead. It should be on their Web site. When you click on INS, a little figure should pop up that looks like this, a guy shrugging his shoulders going, ''I don't know, I'm not sure. Maybe. Could be.'' Because when you ask them anything, that is exactly what happens. They respond with, ''I don't know. I'm not sure. Could be.'' When you ask them how many people have actually been ordered to be deported but have not in fact left the country, you get this: ''I'm not sure. I don't know.'' Probably around 300,000, they will say, 300,000 people.

Remember, Mr. Speaker, we are not talking about people who are just here illegally. As we know, that is probably 10 or 11 million people here illegally. We are not talking about people who have just overstayed their visas. Certainly they number in the millions, also. We are talking about people who have violated the law. They have robbed a bank, they stole money from somebody on the street, they shot somebody, they raped somebody and then they got arrested. And because of their violation of an American law, they were ordered to be deported. But they do not get deported. They walk away. No one has the slightest idea where they are, 300,000 of them. But the INS says, well, that is not really my thing, that is not really what I am too interested in. We are really on the immigration social work side of things. That is where we concentrate our efforts and that is certainly where we concentrate all of our resources. We have quadrupled the budget for the INS over the last several years. Quadrupled. It has gone almost entirely to the social work side. Very little has gone into defending our borders.

Time and time again we have seen that the INS has absolutely no concern about the people who are here illegally. If you call right now, if a local policeman, for instance, picks somebody up on the street, it may be a traffic violation, it may be disturbance of the peace, whatever, and they find that that person is here illegally, they could, although hardly anyone does anymore because they know it is futile, they could call the INS and they could say, look, I have someone here who has done X, Y and Z and they are here illegally. What do you want me to do? The INS would say, well, go ahead, let them go. Get their name, and we will try to get back to them. Sometimes even people that have gone through this process and are ordered to be deported or who are coming up for their deportation will get a letter, it is actually called a ''run letter'' in the lexicon because it means the minute you get it, it says something like, look, we know you have violated the law so please report here in 2½ months for deportation.

Yes, right, thank you, of course I will be there with my bags all packed. I do not think many people show up. It is called a run letter for a purpose, because when they get it they run. It is idiotic. Why should we even waste the stamp? The local law enforcement agency calls up and says, these people are here illegally and they tell them, let them go. We have had in Colorado instances where people have been picked up on the highway for violating some traffic law, the van opens, there are 15 people inside, they are all illegal. That is when they are lucky, that is when they have not run off the road and had the van get into an accident. We have had, of course, many people killed on the highways. It ended up that they were being transported through the State of Colorado. It is a big transportation hub, I am told, for illegal immigration.

But, of course, we call the INS and nothing happens. They tell them, we really have not got the time, we have not got the people, so just forget about it. So at this time very few people actually even do anything; very few law enforcement agencies do anything like, say, call the INS because they have got somebody. They know it is futile. They know there is absolutely no reason to do it. And even after September 11, even after that, we find very little happening inside the INS that would lead us to believe there is a change of heart, a change of the culture, an emphasis on trying to actually keep people out of the country who are here illegally.

It is incredible that we can say that after the most horrific event this country has ever experienced in terms of an act of terror, and, I pray to God, the most horrific event it will ever experience. But, of course, you and I know, Mr. Speaker, we have been told over and over and over again by our Permanent Select Committee on Intelligence here in the House, by members of that committee, we have been told by members of the Armed Forces, we hear it from the Secretary of Defense almost nightly that, in fact, we probably will be experiencing other acts of violence of this nature, of terrorism.

Once again I pray to God that none of them would ever reach the level of damage as that that occurred on the 11th of September, but we do not know. We know, we believe, something will happen. We hear that all the time. There are alerts that are being offered, issued all the time. Yet even with all of that, we have not been able to get the INS, and this Congress, as a matter of fact, we have not been able to get anything out of this Congress that would force the INS to do a better job.

□ 1330

Amazing. We have responded to the President's call by increasing the budget for the armed services and for the homeland defense, and I am totally in favor of it. I vote in favor of very few budget increases on this floor, but I certainly do vote for increases in the area of defense for one reason: It is our single responsibility. It is the most important thing we do here.

I know it is hard to believe, but I certainly think the Constitution would back me up when I say it is more important; the defense of this Nation is more important than health and human services. It is more important than the education budget. It is more important than transportation. It is more important than anything else we do. So I am more than willing to increase the budget for those agencies through my vote.

But what is amazing is that we have taken very specific and very direct action in beefing up the military, and thank God we have. They will, as the President said so eloquently when he addressed the Nation, they will always make us proud, and they do. They are fighting overseas today as we speak. American blood is being shed in foreign lands in defense of this Nation, and it is the right and proper thing to do.

Who knows? We may soon be in other countries besides Afghanistan. I would agree with the proposal that we need to do something wherever terrorism raises its head or shows its tentacle, whether it is in Iran, Iraq, Georgia, or the Philippines. Wherever it is, I am willing to say we should try and go there and stamp it out.

But why is it, Mr. Speaker, that we are so willing and able as a body to do that, while we are just as unwilling to do anything significant to improve our own defenses here in this country? How is it that we can ignore the fact that we still have people coming across the borders illegally? We still have thousands of people coming across the border every single day illegally. We have not really paid much attention to that. We have paid mostly lip service to it.

It is, for one thing, a fact of political life that we are concerned about raising the issue of immigration reform for fear of the political fallout in the United States. But from whom, I ask, Mr. Speaker. From whom should we be expecting opposition?

Yes, certainly from the Democratic Party, because they recognize that massive immigration will eventually lead to what they believe will lead to more voters for the Democrat candidate. So they will do anything they can, and have done everything they can, to stop any sort of immigration reform, and they want them essentially to come in, legally or illegally, it does not matter. Eventually, they believe it will accrue to their political benefit.

On our side, we, of course, hear from people who are business owners, who say to us, I have to have these people because no one else will do the job. So turn a blind eye to illegal immigration. Let them come in. We need them.

We certainly do not want to be seen as a party that is anti-immigration, or anti-ethnic group; and certainly, I guarantee my colleagues, Mr. Speaker, I am not either of those two things. I am not anti-immigration. I certainly have nothing against any ethnic group coming into this country.

The issue is, how much, how many, for what purpose, and will we be able to control it? That is the issue. Do we want open borders? Do we want the elimination of our borders?

There are people who, in fact, do. President Vicente Fox has stated very publicly that he expects in the next 20 years to not have a border between the United States and Mexico. I have talked with members of his cabinet who share that exact same vision: The head of a newly created agency in Mexico that would translate into the Ministry for Mexicans Living Outside of Mexico, an interesting cabinet level position, I would certainly say.

I have talked to Mr. Hernandez, the newly appointed minister in this particular cabinet level department, and he has stated clearly to me that he does not believe that there are two countries. He says they are just a region. That is all. It is not two countries, he says.

Well, now, this may be a very legitimate debate topic. There may very well be people on the floor of the House and in the administration in the United States, and certainly we know in Mexico, who believe that we should not have borders, that we should meld ourselves into sort of a United States of the North American continent and beyond, perhaps. South America, too. A European Union model. I know all of these things are actually in the sights of many people. That is what they think we are going to do.

Well, okay, let us debate that issue, right here, a bill on the floor. I would like a bill to go the committee of reference to eliminate the borders and to join hands with all of the people on the North American continent in some sort of confederation, with common currency, all of the stuff that the European Union is doing.

I will vote no, I will tell my colleagues. I will vote no. But that is okay. That is just my vote. If a majority of the Members of this body and the President agree, that is the way it will be.

But what I do not like happening, Mr. Speaker, is that that is exactly where we are heading, only without any sort of legal justification, without an actual law being passed, without a decision being made by this Congress or by this President. We will look at some point in time in the future back and say, gee, how did all of this happen? We sort of eliminated the borders. They do not really exist anymore.

Well, that may be true; and, as I say, it may be a good thing. I do not think so, but let us debate. Let us at least have this issue come to the floor. Let us not pretend that we are not just expanding immigration for all of these altruistic reasons.

There are political reasons, both in the United States and in Mexico, for massive immigration. It is the hope of a number of people in Mexico, of the government of Mexico that enough people will be here to eventually influence the policy of the United States vis-a-vis Mexico. It is the hope of people in the United States that we can somehow attract these people and get them involved. It is the hope of the labor unions that they can get all of the newly arrived immigrants, whether they are legal or illegal, into labor unions, so all of a sudden we have labor in support of massive immigration.

And then there are certainly altruistic reasons why even the President of the United States will support it.

I believe that the President is a man who does speak from his heart. I believe that. I go to bed every single night thanking God that George Bush is the President of the United States. Let me get that clear and out here on the table. And especially not the alternative that we had in the last election. So that is not an issue. I am a 100 percent solid supporter. No, I am not 100 percent, because this issue is one with which I disagree with the President. But I believe it comes from his heart when he is saying that he wants to expand immigration. I just think he is wrong.

I have a responsibility here to vote my conscience, and I certainly will do that, and I will speak out against it. It is not being disloyal to the President. It is simply an issue with which I disagree that he brings up, his point of view.

I believe that there are massive implications for immigration in the United States, especially in the numbers that we are talking about today. It is something we are going to have to deal with politically, economically, culturally. There are a whole raft of fascinating topics that can be brought up when we begin to debate on immigration. But as long as we are going to have borders, however, as long as there are still lines on a map that actually divide the United States from other places in the world, from other countries, then, of course, they should be meaningful.

What is the purpose of a border, we should ask ourselves, and what is our responsibility as a national government to defend them?

It is again a unique position we find ourselves in at the Federal level, establishing immigration policy. States cannot do it. States have to deal with our decisions. With our decisions to abandon the border comes a host of problems that confront every State in the Nation, some more dramatically than others.

California, Texas, New Mexico, Arizona, Florida and other States that face massive immigration, legal and illegal, are faced with building schools as fast as they can, building highways, building hospitals, their social service budgets are busting at the seams, all because they are being inundated by people coming here, as they have come for many years, to seek a better life.

There is one unique kind of situation that is developing, however, Mr. Speaker, in that we are witnessing an interesting phenomenon with the recent arrivals into the United States. Undeniably, they are coming here because they want a better life, because they see job opportunities that are not available to them in their homeland. That is exactly why most of our relatives, most of our grandparents or great grandparents or whatever, this is why they came. That is not different.

But, in the past, the vast majority of people coming into the United States were seeking not only economic opportunity but they were seeking a new life, a new experience, a new country that they could become a part of, and they were anxious to cut the ties that bound them to the country of their origin. They were willing to speak the language for a while but very, very intent upon moving to the English language as quickly as possible, because they recognized that it was the way they could move up the economic ladder in this country. And it was also because, as my grandparents used to say to each other, they would say ''speak America,'' not English, but ''speak America.'' They were the immigrants of the late 1800s, early 1900s.

They would get into arguments. I remember Sunday drives, and they would get in an argument in the back seat and my grandmother would yell at my grandfather, ''speak America,'' because it meant more to her. She knew that the word was ''English,'' but what she was conveying was something else. She was intent, as was my grandfather, on making themselves and their children and their grandchildren American in every way that they could.

Mr. Speaker, I am a relatively new immigrant, in a way. That is to say, I was born here, but my family is only third generation. I am only third generation. My grandparents came here, as I said, in the late 1800s; and it is intriguing to me that in my life, the second generation after that, there was absolutely no attachment to the country of my grandparents' birth, other than I knew where it was. We had the cuisine that represented Italian ancestry, and that was it, really. That was it. There was certainly no political allegiance that my or my grandparents or my parents held to the country from which they came.

Today, however, we are witnessing something quite different. We are witnessing a flood of people into the United States who do not wish to cut those ties. They wish to retain the political, cultural, and linguistic ties of the country of their origin, and we encourage it in the United States. Believe me, our own policies here, this radical, what I would call radical, multiculturalism certainly encourages that kind of separate status, the Balkanization of America.

I can tell my colleagues that this is the case. We can actually show empirical evidence. This is not just theory. It is a different sort of situation today because I think that has always been brought up whenever immigration issues are discussed that, well, it is different today than it was before. Well, it is different today. Today, there are 6 million people here in the United States, at least; this is our best estimate so far, at least 6 million people in

the United States who claim dual citizenship. Now, this is an interesting thing. It has never been this high.

Well, for the longest time one could not do that in the United States, and one is not really supposed to now. You cannot really become a citizen. You are supposed to swear allegiance to the United States and no allegiance to any foreign dictator or potentate, I think the word is. But, in fact, people do retain their citizenship, as a result of Mexico allowing their citizens to retain their citizenship just a few years ago, and the numbers shot up to 6 million people.

□ 1345

Now, I am stating, Mr. Speaker, that I do not believe that we would have had this same phenomenon, not even the same percentage of immigrants coming to the United States in the early 1900s, late 1800s. I do not believe we would have had the same percentage of people seeking to retain their citizenship of the country of origin. Because they came for a different purpose.

Now, I am not suggesting that this is a nefarious thing, that these are not people coming here with the intent to do us harm for the most part. That is certainly true. But it does, in fact, bode ill for the United States. It really puts the emphasis on pluribus and not on unum. Out of many, one. It puts the emphasis on many, and we really do not get to the one. And that is happening to us, and most people I think understand it. I know that most Americans understand it.

Poll after poll after poll indicates a desire on the part of the American people and, by the way, even recent immigrants to reduce the number of people coming, to take a break, take a breather here, to not let people come in illegally, and to not do something like give amnesty for those people who are here illegally.

I will get to that in just a moment because, I am afraid to say it, but I am disappointed that I have to say it, but the fact is we will probably be once again facing this proposal. I know the White House is pushing it. I understand the leadership of the Congress, at least the House anyway, has agreed to bring it up, maybe even as soon as next week.

But let me go back for a moment to the INS and talk about my concerns there.

I have already discussed the incredible degree of dysfunctionality, if you will, in that particular agency, especially on the enforcement side. They are incapable or nondesirous of actually doing anything for enforcement. I think that is blatantly clear. I cannot imagine anybody here, no matter how supportive they are of immigration, I cannot imagine anybody actually defending the INS and their ability to actually accomplish anything.

And we must not think very much of it, Mr. Speaker. We must not think very much of the agency itself, because we just appointed a guy to the head of it, a good friend of the minority leader in the other body, a good friend of a number of Members in the other body. This is a gentleman that we appointed to head the INS. A nice man. I have met him.

Let me tell what you his qualifications are for the job. He was the Sergeant at Arms of the other body. That is it. That is it. He had been a staffer, I think, some many years back. He had been the Sergeant of Arms for years. Of course, he knew many Members over there; and, lo and behold, he is the new head of the INS. So we must not think very much of the agency, I suppose. It is sort of a toss or a throwaway.

We should think more about it because it is charged with an incredibly important function. It just does not carry it out, and it really cannot because not only, as I say, is the problem with the enforcement side but now comes that GAO report that I mentioned earlier on. February 15 the report was issued, titled ''GAO Report Finds 'Pervasive and Serious Problems With Immigration Benefit Fraud' ''.

Now, remember, Mr. Speaker, this is the other side of what they do. This is what they are supposed to do well. This is the social work side, and this is what they tout. This is what they will state that they are really all about.

The lady that I debated who was the spokesperson for the INS in Denver, this is what she said they do. They help people. They are there to get people their benefits. That is what she said.

Well, here is what the GAO report just found. ''Immigration benefit fraud is a significant problem that threatens the integrity of the legal immigration system. Aliens apply to the Immigration and Naturalization Service for such benefits as naturalization, work authorization and adjustment of status. Immigrants benefit fraud involves attempts by aliens to obtain such benefits through illegal means.''

Oh, my goodness. Could that be happening? Ask the INS, how much fraud is there, and they give you the low go. I am not sure. Probably a lot.

''The report also details the Immigration and Naturalization Service failure to root out fraud in the immigration benefits application process.'' In other words, they know there is fraud. They do not care.

The Chairman of the House Committee on the Judiciary, the gentleman from Wisconsin (Mr. SENSENBRENNER), stated, and I quote, ''This report raises a whole host of troubling homeland security threats posed by an immigration benefits process wrought with fraud. In fact, the GAO study finds the INS does not know the extent of the problem.''

There we go again. Hey, who knows? Probably a lot.

The gentleman from Wisconsin (Mr. SENSENBRENNER) continues, ''Based on this report I am not confident that the INS is not giving green cards to al Qaeda operatives. We have a complete failure by the INS to take the steps necessary to protect the people of the United States and the immigration system itself from criminals manipulating the benefits process. These findings support the urgent need for a comprehensive legislative restructuring of the INS.''

Is that not the truth? Underline comprehensive, by the way. Underline comprehensive.

We know what will happen in this body, Mr. Speaker. I am sure you are aware as much as anyone else how difficult it is to actually reform an agency of the Federal government and do so quite significantly, comprehensively, very difficult. We will take a stab at it. We will introduce something. It will get watered down in both Houses, and we will end up thinking, was this really what we were trying to do? Is this really reform? Maybe we have changed a few names.

I am worried about it, but, nonetheless, we have got to try to do something, again, as the gentleman from Wisconsin (Mr. SENSENBRENNER) says, ''comprehensively.''

Here are some of the findings from the GAO report. Now, please understand that the GAO is not an agency with a given bias here. These people, if anything, we would expect them to be more on the side of the agency itself that they are investigating. But get this, Mr. Speaker. A 90 percent fraud rate. A 90 percent fraud rate was found in one review of a targeted group of 5,000 petitions. A follow-up analysis of about 1,500 petitions found only one was not fraudulent.

Please let me repeat that. I just do not know if you got that. A 90 percent fraud rate was found in the review of the targeted group of 5,000 petitions. Follow-up analysis of about 1,500 found only that one was not fraudulent.

This is what they are supposed to do well, remember. ''Benefit fraud is a comparatively low priority within the INS,'' it went on to say. ''Without improvement in its benefit fraud investigations the INS's inability to detect the number of ineligible aliens improperly applying for benefits will be hampered.''

Next, ''A senior INS official has testified to Congress that criminal aliens and terrorists manipulate the benefit application process to facilitate expansion of their illegal activities, such as crimes of violence, narcotic trafficking, terrorism and entitlement fraud. GAO was told by an INS official that fraud is probably involved in about 20 to 30 percent of all applications filed.'' They wish it was that low.

''The INS approach to addressing benefit fraud is fragmented and unfocused. There is no assurance that INS reviews are adequate for detecting non-compliance or abuse during application processing.''

These are all findings of the GAO study. This is not my analysis. This is the GAO policy of the part of the activity of the INS that they are supposed to do well.

''Some adjudication officers had to sneak over to the operations unit to discuss fraud-related issues because adjudication officers are discouraged from taking the time to discuss questionable cases with investigators.

''INS officials said that fraud is rampant across the country and out of control.'' That is the part they are probably sure of. I know there is a lot of it, they would say. ''INS officials indicate that the immigration benefit fraud problem will increase as smugglers and other criminal enterprises use fraud as other means of bringing illegal aliens, including criminal aliens, into the country.''

By the way, please understand we are not talking about Mexico here for these types of problems. We are talking about Russia. We are talking about China. We are talking about countries all over the world who are perpetrating this fraud in order to advance certain illegal activities.

''The INS fails to balance its responsibility to provide immigration benefits with its duty to detect fraud in the immigration process. The GAO concluded that emphasis has been placed on timely processing of applications, allowing quality to suffer. This has contributed to the increase in benefit fraud.''

Now, this is the GAO report; and it probably, as most reports of this nature, only skims the surface. This is probably just the tip of the iceberg. But even if it is the whole thing, for heaven's sake, why would we not say we have a massive problem here?

Mr. Speaker, with this in mind, with this picture I have tried to paint of an agency, dysfunctional in nature, incompetent, inefficiently run, headed by a gentleman, again, nice enough fellow but who was the Sergeant of Arms at the Senate, that is it. That is it. This is the agency to which we entrust the sanctity of our border, maintaining that, creating it, because that certainly is not a place with which you can apply that term today.

This is to whom we turn in a time when terrorism poses enormous threats to our very survival. This is the agency that we turn to.

Now, when we were on the border, Mr. Speaker, as I mentioned to you not too long ago, several Members and I went down on a congressional delegation. We talked to literally scores of people who were working on the border at the time. We talked to our immigration officials. We talked to people in the embassy, people who were important for visa processing. We talked to people right on the border, border control agents; and to a person they recognized that they were facing unbelievable challenges and that they were not really doing all that well.

But what they said to us is, please do not do anything to make the job worse. And we said, well, like what? They said, like this amnesty issue. Do not do that again. Every time you start talking about amnesty up there, meaning here, the flood turns into a tidal wave. Because, of course, what do we think would happen?

Is it illogical to assume that if we allow everybody who is here legally or even a large portion of them if they are here illegally, if we allow them amnesty, would that not simply encourage a lot of people to come across the border in hopes of obtaining exactly the same thing in a short time and not going through the regular process, not doing what millions of other people have to do, fill out the paperwork, go through the process of immigration, wait in line and wait your turn? Why would not they just simply come across?

Well, they do. Of course they do. And they said, please do not do that again.

I got back here that night to find that, in fact, we were preparing an amendment to do exactly that. The President had asked for it. The leadership was preparing it. We had quite a little tussle in our conference about that, and a decision was made shortly thereafter to not pursue it. A wise decision, I think.

But because the President is going to Mexico in just a few weeks, just a couple of weeks, there is strong desire on the part of the administration to allow him to take with him this issue, an amnesty. So I am told in a relatively short time, maybe next week, the House will be once again debating whether or not we are going to give amnesty to people here illegally.

Now, again, it is almost incredible that we have to say that this is a bad idea. Again, I support the President in almost every single one of his efforts, domestic and foreign policy combined. But on this he is wrong.

We should not reward people for breaking our laws. And whether we call it a fine or just a revenue enhancement thing, having them pay a little extra money to get in here, I am told that maybe the thinking is having them pay $1,000 and that would be the fine for having broken our laws. What does that mean to the whole world? Come up with a grand and come on in.

□ 1400

That is all it means. It means do not go through the system. Do not be a fool. Why would you actually go through the system? Why would you wait in line? Why would you do it legally? There is an easier way. Come across the border, get into the United States through a visa, by any way you can, by ship, by plane, just get here, stay here, overstay your visa, meld into the populace at large and forget about it. Because pretty soon somebody will say ''Olly, Olly, Ox In Free,'' and we will let them in.

This is a bad idea. It may be done for political reasons; it may be done out of all truism. I do not know. It does not matter. It is a bad idea. There is a security issue we must deal with.

Mr. SIMMONS. Mr. Speaker, will the gentleman yield?

Mr. TANCREDO. I yield to the gentleman from Connecticut.

Mr. SIMMONS. Mr. Speaker, I simply wanted to congratulate the gentleman on his brilliant articulation of the topic.

Mr. TANCREDO. Reclaiming my time, Mr. Speaker, I would say to the gentleman that we will see how brilliant it is once we get a vote on this issue and whether or not we are able to convince anybody, but I thank the gentleman for those kind words.

Mr. Speaker, I know there is an agreement of political muscle being applied on this. The Speaker of the House is going to bring it, the President of the United States wants it, but most people in this country do not. Even yesterday, Mr. Speaker, something very interesting happened. I was told about this, I did not witness it myself; but I understand the President was speaking to the National Hispanic Chamber of Commerce and he was getting applause in all the right places for everything he said and everything he was doing in talking about the troops, talking about our war against terrorism; and then he said, and by the way, I am going to push for 245(i) extension. There was not, as I am told, there was not a single person in the audience who put their hands together in applause.

This is not something that most people who came here legally want. They understand the problem. They do not want to encourage illegal immigration. They came here legally. They know that that is the right way to do it. We should not be pandering to any other groups or organizations, to the immigration lobbyists. We should not be doing that. We are not going to benefit from it politically. Nothing we will ever do will ever satisfy groups like La Raza and others, these immigration advocacy groups. Nothing will ever satisfy them until the complete elimination of the borders actually occurs.

It is not a good idea. Every time I go to Mexico and I talk to them in Mexico, I ask them, what is it they are looking for? They always talk to me about the circularity. They want people coming to the United States, said the foreign minister, we want people coming to the United States, we want them working, we want them sending money back to Mexico, and then, as President Vincente Fox said, I want them coming home to retire in Mexico. Well, I would say that I am all for the circularity issue, but I would narrow the time frame quite dramatically to something we call a ''guest worker program.''

People need a job, and people need workers. Great. We establish a guest worker program, one that really and truly is viable. People come in, they take the jobs that are available for them, and we protect their rights as workers. We do not let them be abused by employers who may want to take advantage of them because they would be here illegally under other circumstances. So we can protect their

rights and also protect our own rights as a Nation by determining who comes and how many and how long they stay by establishing a good guest worker program.

But they do not want that. They simply want us to abandon the border. They do not want people just coming to the United States working and then going home; they want them just coming to the United States. And, as I say, there are political reasons for that in Mexico; there are political reasons for that here in the United States. But we should at least speak out on it. We should at least speak out against it.

For one thing, Mr. Speaker, we would be giving the task of determining who is eligible for this amnesty to the Department of Justice and, more specifically, to the, guess what, to the INS. Now, Mr. Speaker, what more do I have to say about this organization that could possibly convince the people here that this is not the right organization to give such a responsibility to?

I cannot imagine that anybody thinks that fraud would not be rampant in all of the applications, or at least a huge majority that would be approved by this organization. Because, after a while, they just get the stamp out. As the clock winds out, they just get the stamp out. I would go back to this last comment that was made about the INS, about their only real intent is to move the paperwork quickly and efficiently. That is all they care about.

So they get the stamp out, they will let people in, and they will not have gone through a background check that is the same kind of background check they would have in the country from which they originated. And, therefore, we become even more vulnerable to the kind of terrorist activity that we have seen and that we anticipate.

Mr. Speaker, there are many, many battles that we will fight with regard to this immigration issue, some very, very broad in nature, some very specific. This is a specific one. Extension of 245(i). People listening to this might hear that, but that is simply a euphemism for the word ''amnesty.'' This is not a good thing for us to do. It is not good public policy. Most people in the United States agree with that statement.

Why are we doing it? What is the reason we are in such a rush to get this in front of us? Why is there so much pressure being placed on us to do something most people in the country are absolutely opposed to, and in their heart of hearts, I think most Members are absolutely opposed to it? How they will vote, I am not sure, because there is, of course, this element of having the administration backing it. But I assure my colleagues that whether this administration or any other supports this kind of proposal, it is the wrong thing to do. And I for one will speak out against it as loudly as I can, as vociferously as I can, and as often as I can.

I recognize fully well that there are only two things I have in this body, and that is my voice and my vote; and I will use both of them as effectively as I possibly can to stop what I believe to be a tragedy in the making, and that is the disuniting of America, as Arthur Schlesinger, Jr., puts it in his brilliant essay, ''The Disuniting of America.''

That is really what the issue is about here, whether this Nation will actually sustain itself. And, therefore, it is my responsibility to speak out against it regardless of who is pushing it, the President or Speaker.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1983

Mr. SIMMONS (during special order of Mr. TANCREDO). Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 1983.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

APPOINTMENT OF ADDITIONAL CONFEREES ON H.R. 2646, FARM SECURITY ACT OF 2001

The SPEAKER pro tempore (Mr. LAHOOD). Without objection, the Chair appoints additional conferees on the bill (H.R. 2646) to provide for the continuation of agricultural programs through fiscal year 2011, as follows:

From the Committee on the Budget, for consideration of section 197 of the Senate amendment, and modifications committed to conference:

Messrs. NUSSLE, SUNUNU, and SPRATT.

From the Committee on Education and the Workforce, for consideration of sections 453–5, 457–9, 460–1, and 464 of the Senate amendment, and modifications committed to conference:

Messrs. CASTLE, OSBORNE, and KILDEE.

From the Committee on Energy and Commerce, for consideration of sections 213, 605, 627, 648, 652, 902, 1041, and 1079E of the Senate amendment, and modifications committed to conference:

Messrs. TAUZIN, BARTON of Texas and DINGELL.

From the Committee on Financial Services, for consideration of sections 335 and 601 of the Senate amendment, and modifications committed to conference:

Messrs. OXLEY, BACHUS, and LAFALCE.

From the Committee on International Relations, for consideration of title III of the House bill and title III of the Senate amendment, and modifications committed to conference:

Messrs. HYDE, SMITH of New Jersey, and LANTOS.

From the Committee on the Judiciary, for consideration of sections 940–1 of the House bill and sections 602, 1028–9, 1033–5, 1046, 1049, 1052–3, 1058, 1068–9, 1070–1, 1098 and 1098A of the Senate amendment, and modifications committed to conference:

Mr. SENSENBRENNER, Mr. GREEN of Wisconsin and Ms. BALDWIN.

From the Committee on Resources, for consideration of sections 201, 203, 211, 213, 215–7, 262, 721, 786, 806, 810, 817–8, 1069, 1070, and 1076 of the Senate amendment, and modifications committed to conference:

Messrs. HANSEN, YOUNG of Alaska, and KIND.

From the Committee on Science, for consideration of sections 808, 811, 902–3, and 1079 of the Senate amendment, and modifications committed to conference:

Messrs. BOEHLERT, BALLENGER, and HALL of Texas.

From the Committee on Ways and Means, for consideration of sections 127 and 146 of the House bill and sections 144, 1024, 1038 and 1070 of the Senate amendment, and modifications committed to conference:

Messrs. THOMAS, HERGER and RANGEL.

There was no objection.

MIKE PARKER FORCED TO RESIGN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Mississippi (Mr. TAYLOR) is recognized for 5 minutes.

Mr. TAYLOR of Mississippi. Mr. Speaker, when I was a kid, and when a guy named Mike Parker was a kid, it was fairly common for schoolteachers to talk about a story. We do not know if it is true or not, but they certainly told kids about a young man who, as a child, had a hatchet, and he took that hatchet to his father's favorite cherry tree and chopped it down. And when his father confronted him very angrily over whether or not he had done that, he said, Sir, I cannot tell a lie, I chopped down that cherry tree.

We do not know whether or not that is true, but it certainly is an important lesson. The important lesson is that the person who is said to have told the truth went on to become the father of our country, and this town is named after him. I regret to say that that sort of reward seems missing in this town right now.

I know of another person who in this town just last week told the truth and for that he was asked to resign. That person is my fellow Mississippian, Mike Parker, a former member of this body who served in both the Democrat and Republican Parties.

Mike appeared before the Subcommittee on Energy and Water Development of the Committee on Appropriations last week. As the head of the United States Army Corps of Engineers, the Under Secretary of the Army for that job, Mike told the Members of that committee that he did not feel that the budget was enough. He went on to say that he felt like the Office of Management and Budget had intentionally underestimated the amount of money that would be needed to run the Corps of Engineers.

That is the agency that builds the levees that keeps low-lying communities from flooding; that dredges channels so that inland commerce can take place; that dredges the channels for oceangoing ships; that agency that helps people with their sewage problems, with their drainage problems. He said that the administration's budget did not have enough money in it for him to do his job.

He went on to say that he felt like the Office of Management and Budget intentionally low-balled that to try to make the President's budget look a little closer to being balanced than it really was, and knowing that Congress would put the money back in the budget. He even went so far as to say that the Constitution of the United States under article I gives Congress the power to decide where the money goes, not the administration. The administration is certainly correct to request a budget, but it is Congress' job to pass a budget.

For telling the truth, my friend Mike Parker was fired. He was actually asked to resign. And what is really interesting about this town of half truths is that it was just 3 years ago on this very floor that a majority of my colleagues and I voted to impeach a sitting President because we felt like he had lied under oath. But when someone just last week tells the truth, he is asked to resign.

Mr. Speaker, I think that is a shame, and I think it is a horrible reflection on our Nation. I think it is a horrible reflection on this administration. Mike Parker did the right thing. This town is awash in debt because we are awash in half truths. Finally, somebody came forward and said this is the way to do it. You gave me a job to do. I have left my farm in Mississippi, I have left my business in Mississippi, my wife has left a successful accounting firm to come here all so we could serve our country. I have told you the truth, and my reward for telling the truth is to fire me.

□ 1415

Mr. Speaker, it is a shame. So for Mike Parker and all of the folks out there who tell the truth, I want to say I am grateful, the people in Mississippi. I deeply regret that the President of the United States did the wrong thing; but Mike, I know you did the right thing.

Just recently there was a book published called ''The Dereliction of Duty.'' I am told it was written by a historian at West Point who researched the early stages of the Vietnam War, and makes a very compelling case that the Joint Chiefs of Staff at that time knew that President Johnson had no intention of winning that war. And what he cites as a dereliction of duty is those generals and those admirals at the time, knowing that the President had no clear plan for victory, were not willing to risk their careers and step forward and say ''This is wrong. I am not going to let the kids in my command die,'' in what they knew to be a failed effort.

Mike Parker had the guts to say this is wrong and point out the way that it should be and tell the truth. So, Mike, they may have had a dereliction of duty, but you did not. For the sake of myself and again speaking on behalf of the people of Mississippi, we are proud of you, Mike. God bless you.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Ms. JACKSON-LEE of Texas (at the request of Mr. GEPHARDT) for today on account of business in the district.

Mrs. MEEK of Florida (at the request of Mr. GEPHARDT) for today after 11:30 a.m. on account of personal reasons.

Ms. SOLIS (at the request of Mr. GEPHARDT) for today on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. STRICKLAND) to revise and extend their remarks and include extraneous material:)

Mr. PALLONE, for 5 minutes, today.

Ms. NORTON, for 5 minutes, today.

Ms. WATSON of California, for 5 minutes, today.

Mr. STRICKLAND, for 5 minutes, today.

Mr. BROWN of Ohio, for 5 minutes, today.

Mr. MCINTYRE, for 5 minutes, today.

Mr. TAYLOR of Mississippi, for 5 minutes, today.

(The following Member (at the request of Mr. BLUNT) to revise and extend his remarks and include extraneous material:)

Mr. BLUNT, for 5 minutes, today.

SENATE ENROLLED JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

S.J. Res. 32. A joint resolution congratulating the United States Military Academy at West Point on its bicentennial anniversary, and commending its outstanding contributions to the Nation.

ADJOURNMENT

Mr. TAYLOR of Mississippi. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 16 minutes p.m.) under its previous order, the House adjourned until Monday, March 11, 2002, at 2 p.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

5775. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Hydrogen Peroxide; An Amendment to an Exemption from the Requirement of a Tolerance [OPP–301217; FRL–6822–7] (RIN: 2070–AB78) February 26, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5776. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans; California State Implementation Plan Revision; Interim Final Determination that State has Corrected the Deficiencies [CA 248–0293c; FRL–7149–7] received February 26, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5777. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans; State of Iowa [Iowa 0127–1127a; FRL–7151–7] received February 26, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5778. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Operating Permits Program; State of Iowa [IA 0126–1126a; FRL–7151–9] received February 26, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5779. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—North Carolina: Final Authorization of State Hazardous Waste Management Program Revision [FRL–7150–6] received February 26, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5780. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Revisions to the California State Implementation Plan, San Joaquin Valley Unified Air Pollution Control District [CA 169- 0323; FRL–7148–8] received February 26, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5781. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Revisions to the California State Implementation Plan, El Dorado Air Pollution Control District [CA248–0293a; FRL–7149–6] received February 26, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5782. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Interim Final Determination that the State of California Has Corrected Deficiencies and Stay of Sanctions, San Joaquin Valley Unified Air Pollution Control District [CA 250–0317c; FRL–7146–1] received February 21, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5783. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Interim Final Determination that the State of California Has Corrected Deficiencies and Stay of Sanctions, Kern

County Air Pollution Control District [CA 256–0319c; FRL–7139–2] received February 21, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5784. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Delaware: Final Authorization of State Hazardous Waste Management Program Revision [FRL–7149–9] received February 21, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5785. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Air Quality Implementation Plans; Maryland Nitrogen Oxide Averaging Plan for Constellation Power Source Generation [MD121–3082a; FRL–9144–5] received February 21, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5786. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans; Minnesota [MN64–01–7289a; FRL–7139–8] received February 21, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5787. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Air Quality State Implementation Plans; Georgia: Control of Gasoline Sulfur and Volatility [GA–47–2; GA–55–2; GA–58–2–200216; FRL–7148–4] received February 21, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5788. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on International Relations.

5789. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 14–296, ''Home Loan Protection Act of 2002'' received March 7, 2002, pursuant to D.C. Code section 1–233(c)(1); to the Committee on Government Reform.

5790. A letter from the General Counsel, Corporation For National Service, transmitting the report in compliance with the Government in the Sunshine Act for 2001, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Reform.

5791. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting the Department's final rule—VISAS: Documentation of Nonimmigrants and Immigrants under the Immigration and Nationality Act, as amended: Fingerprinting; Access to Criminal History Records; Conditions for use of criminal history records—received February 28, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

5792. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; General Electric Company GE90 Series Turbofan Engines [Docket No. 2001–NE–32–AD; Amendment 39–12606; AD 2002–01–12] (RIN: 2120–AA64) received February 26, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5793. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 767 Series Airplanes [Docket No. 2001–NM–198–AD; Amendment 39–12607; AD 2002–01–13] (RIN: 2120–AA64) received February 26, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5794. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; General Electric Company GE90 Series Turbofan Engines [Docket No. 2001–NE–32–AD; Amendment 39–12606; AD 2002–01–12] (RIN: 2120–AA64] received February 26, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5795. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Raytheon Model DH.125, HS.125, BH.125, and BAe.125 (U–125 and C–29A) Series Airplanes; Model Hawker 800, Hawker 800 (U–125A), Hawker 800XP, and Hawker 1000 Airplanes [Docket No. 2000–NM–373–AD; Amendment 39–12619; AD 2001–17–26 R1] (RIN: 2120–AA64) received February 26, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5796. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Bombardier Model DHC–8–100, –200, and –300 Series Airplanes [Docket No. 2001–NM–112–AD; Amendment 39–12620; AD 2002–01–25] (RIN: 2120–AA64) received February 26, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5797. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Fokker Model F.28 Mark 0070 and 0100 Series Airplanes [Docket No. 2001–NM–128–AD; Amendment 39–12613; AD 2002–01–19] (RIN: 2120–AA64) received February 26, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5798. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Raytheon Model Beech 400, 400A, and 400T Series Airplanes; Model Beech MU–300–10 Airplanes; and Model Mitsubishi MU–300 Airplanes [Docket No. 2001–NM–382–AD; Amendment 39–12617; AD 2002–01–23] (RIN: 2120–AA64) received February 26, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5799. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; McDonnell Douglas Model DC–9–81, –82, –83, and –87 Series Airplanes, and Model MD–88 Airplanes [Docket No. 2000–NM–362–AD; Amendment 39–12618; AD 2002–01–24] (RIN: 2120–AA64) received February 26, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5800. A letter from the Chief, Regulations Branch, Department of the Treasury, transmitting the Department's final rule—Civil Asset Forfeiture (RIN: 1515–AC69) received February 25, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HANSEN: Committee on Resources. H.R. 706. A bill to direct the Secretary of the Interior to convey certain properties in the vicinity of the Elephant Butte Reservoir and the Caballo Reservoir, New Mexico; with an amendment (Rept. 107–368). Referred to the Committee of the Whole House on the State of the Union.

REPORTED BILL SEQUENTIALLY REFERRED

Under clause 2 of rule XII, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

Mr. HANSEN: Committee on Resources. H.R. 3389. A bill to reauthorize the National Sea Grant College Program Act, and for other purposes, with an amendment; (Rept. 107–369 Pt. I) referred to the Committee on Science for a period ending not later than April 17, 2002, for consideration of such provisions of the bill and amendment as fall within the jurisdiction of that committee pursuant to clause 1(n), rule X.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. GILMAN (for himself and Mr. MCNULTY):

H.R. 3890. A bill to authorize the President to award the Medal of Honor posthumously to Henry Johnson, of Albany, New York, for acts of valor during World War I and to direct the Secretary of Army to conduct a review of military service records to determine whether certain other African American World War I veterans should be awarded the Medal of Honor for actions during that war; to the Committee on Armed Services.

By Mr. SHERMAN (for himself, Mr. MCHUGH, Mrs. MALONEY of New York, Mr. MASCARA, Mr. FRANK, Mr. HONDA, and Mr. FALEOMAVAEGA):

H.R. 3891. A bill to amend the Fair Debt Collection Practices Act to prohibit creditors from taking action that is adverse to the interests of a consumer with respect to certain payments that are due in or shortly after the period of a disruption of the mail resulting from a national emergency declared under the National Emergencies Act; to the Committee on Financial Services.

By Mr. COBLE (for himself and Mr. BERMAN):

H.R. 3892. A bill to amend title 28, United States Code, to make certain modifications in the judicial discipline procedures, and for other purposes; to the Committee on the Judiciary.

By Mr. BURTON of Indiana (for himself, Mr. WAXMAN, Mr. DAVIS of Illinois, Mrs. MORELLA, Mr. TIERNEY, Mr. CUMMINGS, and Ms. NORTON):

H.R. 3893. A bill to amend the Internal Revenue Code of 1986 to exclude from gross income amounts paid on behalf of Federal employees under Federal student loan repayment programs; to the Committee on Ways and Means.

By Mr. CONYERS (for himself, Ms. ROS-LEHTINEN, Mr. GEPHARDT, Ms. JACKSON-LEE of Texas, Mr. REYES, Mr. FRANK, Mr. BERMAN, Mr. GUTIERREZ, Mr. RANGEL, Mr. ABERCROMBIE, Mr. ANDREWS, Ms. LEE, Mr. BLAGOJEVICH, Mr. DELAHUNT, Mr. FATTAH, Mr. FILNER, Mr. HONDA, Mr. LAFALCE, Mr. MCDERMOTT, Mrs. MEEK of Florida, Mr. NADLER, Mr. RODRIGUEZ, Ms. ROYBAL-ALLARD, Mr. SERRANO, Ms. SCHAKOWSKY, Mr. STARK, Mrs. JONES of Ohio, Mr. UNDERWOOD, Ms. VELAZQUEZ, Ms. WATERS, Mr. LANTOS, and Mr. BONIOR):

H.R. 3894. A bill to amend the Immigration and Nationality Act to restore fairness to

immigration law, and for other purposes; to the Committee on the Judiciary.

By Mr. ADERHOLT (for himself, Mr. PITTS, Mr. BRYANT, Mr. SAM JOHNSON of Texas, Mr. RYUN of Kansas, Mr. WICKER, Mr. SHOWS, Mr. HILLEARY, Mr. SESSIONS, Mr. SCHAFFER, Mr. GOODE, Mr. TERRY, Mr. DEMINT, Mr. SHADEGG, Mr. SMITH of Michigan, Mr. CRANE, Mr. HERGER, Mr. BARTLETT of Maryland, Mr. TIBERI, Mr. SOUDER, Mr. BROWN of South Carolina, Mr. BUYER, Mr. ARMEY, Mr. GREEN of Texas, Mr. DELAY, Mr. CANTOR, Mr. PICKERING, Mrs. MYRICK, Mr. BACHUS, Mr. GRAVES, Mr. KERNS, Mr. LEWIS of Kentucky, Mr. KINGSTON, Mr. WHITFIELD, Ms. HART, Mr. TAYLOR of North Carolina, Mr. WAMP, Mr. HAYES, Mr. HAYWORTH, Mr. BRADY of Texas, Mr. BONILLA, Mrs. EMERSON, Mr. PAUL, Mr. SMITH of New Jersey, Mr. ISTOOK, Mr. LUCAS of Oklahoma, Mr. TIAHRT, Mr. VITTER, Mr. OXLEY, Mr. STENHOLM, Mr. HOSTETTLER, Mr. JONES of North Carolina, Mr. HOEKSTRA, Mr. DOOLITTLE, Mr. PENCE, Mr. WELDON of Florida, Mr. SHUSTER, and Mr. BARR of Georgia):

H.R. 3895. A bill to defend the Ten Commandments; to the Committee on the Judiciary.

By Mr. BAKER:

H.R. 3896. A bill to repeal the reservation of mineral rights made by the United States when certain lands in Livingston Parish, Louisiana, were conveyed by Public Law 102–562; to the Committee on Resources.

By Mr. BARR of Georgia (for himself, Mr. CONYERS, Mr. NORWOOD, Mr. HOEFFEL, Mr. GANSKE, Mr. NADLER, and Mr. WELDON of Florida):

H.R. 3897. A bill to ensure and foster continued patient safety and quality of care by clarifying the application of the antitrust laws to negotiations between groups of health care professional and health plans and health care insurance issuers; to the Committee on the Judiciary.

By Mrs. CAPPS (for herself, Ms. HOOLEY of Oregon, Mr. DEFAZIO, Mr. WU, and Mr. THOMPSON of California):

H.R. 3898. A bill to provide for qualified withdrawals from the Capital Construction Fund for fishermen leaving the industry and for the rollover of Capital Construction Funds to individual retirement plans; to the Committee on Ways and Means, and in addition to the Committee on Armed Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. CARSON of Oklahoma (for himself and Mrs. EMERSON):

H.R. 3899. A bill to amend title XVIII of the Social Security Act to provide for the coverage of marriage and family therapist services and mental health counselor services under part B of the Medicare Program, and for other purposes; to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. YOUNG of Florida (for himself, Mr. OBEY, Mr. SABO, Mr. ROGERS of Kentucky, Mr. REGULA, Mr. OLVER, Mr. PASTOR, Mr. WOLF, Ms. KILPATRICK, Mr. CALLAHAN, Mr. SERRANO, Mr. TIAHRT, Mr. ADERHOLT, Ms. GRANGER, Mrs. EMERSON, Mr. SWEENEY, Mr. CLYBURN, Ms. PELOSI, Mr. LEWIS of California, Mr. SKEEN, Mr. BONILLA, Mr. KENNEDY of Rhode Island, Mr. MORAN of Virginia, Ms. DELAURO, Ms. KAPTUR, Mr. DICKS, Mr. JACKSON of Illinois, Mr. FARR of California, Mrs. MEEK of Florida, Mr. HINCHEY, Mrs. LOWEY, Mr. PRICE of North Carolina, Mr. FATTAH, Mr. BOYD, Mr. CRAMER, Mr. MOLLOHAN, Ms. ROYBAL-ALLARD, Mr. HOYER, Mr. MURTHA, Mr. WALSH, Mr. KNOLLENBERG, Mr. DAN MILLER of Florida, Mr. KINGSTON, Mr. WICKER, Mr. NETHERCUTT, Mr. CUNNINGHAM, Mr. WAMP, Mr. PETERSON of Pennsylvania, Mr. LAHOOD, Mr. VITTER, Mr. TAYLOR of North Carolina, Mr. VISCLOSKY, Mr. ROTHMAN, Mr. GOODE, Mr. EDWARDS, Mr. SHERWOOD, Mr. DOOLITTLE, Mr. TIERNEY, Mr. BUYER, Mr. KLECZKA, Mrs. THURMAN, Mr. THOMPSON of Mississippi, Mr. MARKEY, Mr. MEEHAN, Mr. HOBSON, Mr. HOEFFEL, Mr. HILLIARD, Mr. BISHOP, and Mrs. CHRISTENSEN):

H.R. 3900. A bill to provide that certain adjustments made by the Director of the Office of Management and Budget under the Balanced Budget and Emergency Deficit Control Act of 1985 to align highway spending with revenues have no force or effect; to the Committee on the Budget, and in addition to the Committee on Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. CASTLE:

H.R. 3901. A bill to suspend temporarily the duty on triflusulfuron methyl formulated product; to the Committee on Ways and Means.

By Mr. CASTLE:

H.R. 3902. A bill to suspend temporarily the duty on benzyl carbazate; to the Committee on Ways and Means.

By Mr. CASTLE:

H.R. 3903. A bill to suspend temporarily the duty on esfenvalerate technical; to the Committee on Ways and Means.

By Mr. CASTLE:

H.R. 3904. A bill to suspend temporarily the duty on Avaunt and Steward; to the Committee on Ways and Means.

By Mr. CRAMER:

H.R. 3905. A bill to amend the Internal Revenue Code of 1986 to authorize the Secretary of the Treasury to provide a one-time abatement of interest on an underpayment or nonpayment of income tax for reasonable cause; to the Committee on Ways and Means.

By Mr. CUNNINGHAM (for himself and Mr. FILNER):

H.R. 3906. A bill to except spouses and children of Philippine servicemen in the United States Navy from bars to admission and relief under the Immigration and Nationality Act; to the Committee on the Judiciary.

By Mr. HANSEN (for himself, Mr. MEEHAN, Mr. BROWN of Ohio, Mr. DOGGETT, Mr. FALEOMAVAEGA, Mr. FRANK, Mr. HINCHEY, Mr. HOLT, Mr. LANGEVIN, Mr. LANTOS, Mr. LIPINSKI, Ms. LOFGREN, Mr. MCDERMOTT, Mr. MCGOVERN, Mr. GEORGE MILLER of California, Mrs. MORELLA, Mr. PALLONE, Ms. ROYBAL-ALLARD, Mr. STARK, Mr. WAXMAN, and Mr. WYNN):

H.R. 3907. A bill to amend the Federal Cigarette Labeling and Advertising Act and the Comprehensive Smokeless Tobacco Health Education Act of 1986 to require warning labels for tobacco products; to the Committee on Energy and Commerce.

By Mr. HANSEN:

H.R. 3908. A bill to reauthorize the North American Wetlands Conservation Act, and for other purposes; to the Committee on Resources.

By Mr. HANSEN:

H.R. 3909. A bill to designate certain Federal lands in the State of Utah as the Gunn McKay Nature Preserve, and for other purposes; to the Committee on Resources.

By Mr. ISRAEL:

H.R. 3910. A bill to amend title XVIII of the Social Security Act to provide for coverage under the Medicare Program of certain tests to screen for ovarian cancer upon certification by the Director of the National Institutes of Health that such tests are effective; to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. JOHNSON of Connecticut:

H.R. 3911. A bill to direct the Federal Trade Commission to issue rules that establish a list of telephone numbers of consumers who do not want to receive telephone calls for telemarketing purposes, and for other purposes; to the Committee on Energy and Commerce, and in addition to the Committees on Financial Services, and Agriculture, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. KUCINICH (for himself, Mr. OWENS, Mr. ANDREWS, Ms. SOLIS, Ms. LEE, Mr. MCGOVERN, Mr. CONYERS, Ms. KAPTUR, Mr. HINCHEY, Mr. FILNER, Mr. FALEOMAVAEGA, and Ms. CARSON of Indiana):

H.R. 3912. A bill to assist States in establishing a universal prekindergarten program to ensure that all children 3, 4, and 5 years old have access to a high-quality full-day, full-calendar-year prekindergarten education; to the Committee on Education and the Workforce.

By Mrs. LOWEY (for herself, Mr. DEFAZIO, Mr. BERRY, Mr. MCNULTY, Mr. PALLONE, and Mr. BLAGOJEVICH):

H.R. 3913. A bill to assure equitable treatment in health care coverage of prescription drugs under group health plans, health insurance coverage, Medicare and Medicaid managed care arrangements, Medigap insurance coverage, and health plans under the Federal employees' health benefits program (FEHBP); to the Committee on Energy and Commerce, and in addition to the Committees on Ways and Means, Education and the Workforce, and Government Reform, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. MALONEY of New York:

H.R. 3914. A bill to restore oversight of energy derivatives by the Commodity Futures Trading Commission, and maintain the 1993 energy products exemption; to the Committee on Agriculture.

By Mrs. MALONEY of New York (for herself, Mr. TOM DAVIS of Virginia, Mr. HOYER, Mr. FRANK, Mr. ABERCROMBIE, Mr. FROST, Ms. MILLENDER-MCDONALD, Ms. DELAURO, Ms. BALDWIN, Ms. CARSON of Indiana, Ms. KILPATRICK, Mr. OWENS, and Ms. NORTON):

H.R. 3915. A bill to amend title 5, United States Code, to provide that, of the total amount of family leave available to a Federal employee based on the birth of a child or the placement of a child with the employee for adoption or foster care, at least one-half of that time shall be leave with pay; to the Committee on Government Reform.

By Mrs. MALONEY of New York (for herself, Mr. GREENWOOD, Mr. CROWLEY, Mrs. LOWEY, and Mr. OSE):

H.R. 3916. A bill to provide a United States voluntary contribution to the United Nations Population Fund; to the Committee on International Relations.

By Mr. MURTHA:

H.R. 3917. A bill to authorize a national memorial to commemorate the passengers and crew of Flight 93 who, on September 11, 2001, courageously gave their lives thereby thwarting a planned attack on our Nation's Capital, and for other purposes; to the Committee on Resources.

By Mr. PORTMAN (for himself, Mr. CARDIN, Mr. BOEHNER, and Mr. POMEROY):

H.R. 3918. A bill to amend the Employee Retirement Income Security Act of 1974 to simplify reporting and disclosure requirements, to provide Pension Benefit Guarantee Corporation premium relief, and for other purposes; to the Committee on Education and the Workforce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. PORTMAN (for himself, Mr. CARDIN, Mr. BOEHNER, Mr. POMEROY, and Mr. SAM JOHNSON of Texas):

H.R. 3919. A bill to amend the Internal Revenue Code of 1986 to increase the permissible range for the interest rate used in determining the additional funding requirements for defined benefit plans which are not multiemployer plans, and for other purposes; to the Committee on Ways and Means, and in addition to the Committee on Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. THUNE:

H.R. 3920. A bill to amend the Endangered Species Act of 1973 to establish special requirements for determining whether the black-tailed prairie dog is an endangered species or threatened species; to the Committee on Resources.

By Mr. JEFFERSON:

H.J. Res. 84. A joint resolution disapproving the action taken by the President under section 203 of the Trade Act of 1974 transmitted to the Congress on March 5, 2002; to the Committee on Ways and Means.

By Mr. CLEMENT (for himself, Mr. CUNNINGHAM, Mrs. DAVIS of California, Mr. PHELPS, and Mr. ETHERIDGE):

H. Con. Res. 343. Concurrent resolution expressing the sense of the Congress supporting music education and Music in Our Schools Month; to the Committee on Education and the Workforce.

By Ms. SCHAKOWSKY (for herself, Mrs. BIGGERT, Ms. MILLENDER-MCDONALD, Mr. LANTOS, Ms. PELOSI, Ms. DELAURO, Mr. CONYERS, Ms. WATERS, Ms. BALDWIN, Mr. DAVIS of Illinois, Mr. CROWLEY, Ms. WOOLSEY, Mr. LEVIN, Mr. FILNER, Ms. KILPATRICK, Mrs. JONES of Ohio, Ms. KAPTUR, Mr. CUMMINGS, Ms. MCCOLLUM, Mr. LUTHER, Mrs. CAPPS, Mr. LANGEVIN, Ms. MCKINNEY, Mr. BLAGOJEVICH, Ms. NORTON, Ms. SOLIS, Ms. BERKLEY, Ms. SANCHEZ, Mrs. MALONEY of New York, Ms. ROYBAL-ALLARD, Ms. BROWN of Florida, Ms. CARSON of Indiana, Mrs. MCCARTHY of New York, Mrs. DAVIS of California, and Ms. WATSON):

H. Con. Res. 344. Concurrent resolution supporting the goals of International Women's Day; to the Committee on International Relations, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. HANSEN (for himself, Mr. MATHESON, and Mr. CANNON):

H. Res. 363. A resolution congratulating the people of Utah, the Salt Lake Organizing Committee and the athletes of the world for a successful and inspiring 2002 Olympic Winter Games; to the Committee on International Relations.

MEMORIALS

Under clause 3 of rule XII,

208. The SPEAKER presented a memorial of the House of Representatives of the State of Michigan, relative to House Resolution No. 85 memorializing the Congress of the United States to enact legislation to give states the authority to ban out-of-state solid waste; to the Committee on Energy and Commerce.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 116: Ms. NORTON and Ms. SLAUGHTER.

H.R. 128: Mr. RAMSTAD, Ms. MCCARTHY of Missouri, and Mr. CLAY.

H.R. 218: Mr. HILLIARD, Mr. TAYLOR of Mississippi, and Mr. PLATTS.

H.R. 250: Mr. INSLEE and Mr. ROEMER.

H.R. 303: Mr. HULSHOF.

H.R. 778: Mr. KING.

H.R. 808: Mr. LYNCH.

H.R. 858: Mr. BONIOR.

H.R. 902: Mr. ROHRABACHER, Mr. SABO, and Mr. BERMAN.

H.R. 951: Mr. MICA, Ms. ROYBAL-ALLARD, and Mr. GOSS.

H.R. 1051: Mr. DELAHUNT and Mr. BRADY of Pennsylvania.

H.R. 1053: Mr. BONIOR.

H.R. 1055: Mr. BONIOR.

H.R. 1070: Mr. SMITH of Michigan.

H.R. 1073: Mr. HAYES.

H.R. 1076: Mr. GRUCCI.

H.R. 1109: Mr. MICA and Mr. OXLEY.

H.R. 1158: Mr. SHAYS.

H.R. 1167: Mr. SNYDER and Mr. MOORE.

H.R. 1168: Mr. SNYDER. Mr. WILSON of South Carolina, and Ms. DUNN.

H.R. 1202: Ms. WATERS.

H.R. 1213: Mr. MASCARA, Mr. GEKAS, and Mr. PALLONE.

H.R. 1214: Mr. GEKAS.

H.R. 1265: Mr. CLAY and Mrs. CAPPS.

H.R. 1310: Mr. FRANK.

H.R. 1354: Mr. DAVIS of Illinois.

H.R. 1400: Mr. MURTHA.

H.R. 1475: Mr. KIND, Mr. HILLIARD, and Mr. TIAHRT.

H.R. 1522: Mr. LIPINSKI.

H.R. 1609: Mr. SPRATT, Mr. KUCINICH, and Mr. UDALL of Colorado.

H.R. 1626: Mr. HOLDEN.

H.R. 1723: Mr. LYNCH.

H.R. 1899: Mr. LAMPSON.

H.R. 1904: Mrs. JONES of Ohio, Mr. BLAGOJEVICH, Ms. WOOLSEY, and Ms. RIVERS.

H.R. 1919: Mr. HOSTETTLER.

H.R. 1987: Mr. REYNOLDS.

H.R. 2189: Mr. HERGER.

H.R. 2219: Ms. LOFGREN.

H.R. 2230: Mr. FILNER.

H.R. 2254: Mr. MCGOVERN.

H.R. 2335: Mr. GEORGE MILLER of California and Mr. OBERSTAR.

H.R. 2341: Mr. FOLEY, Mr. SULLIVAN, and Mr. TIBERI.

H.R. 2527: Mr. PASTOR, Ms. DELAURO, Mr. CAPUANO, Mr. BOSWELL, Mr. SAWYER, Mr. SESSIONS, and Mrs. MEEK of Florida.

H.R. 2570: Mr. BLAGOJEVICH and Mr. CUMMINGS.

H.R. 2610: Mr. GILLMOR, Ms. HARMAN, and Mr. GANSKE.

H.R. 2629: Mrs. CAPITO, Ms. BALDWIN, and Mr. MEEHAN.

H.R. 2649: Mr. GEKAS, Mr. TANCREDO, Ms. MCKINNEY, Mr. PICKERING, Mr. TOM DAVIS of Virginia, and Mr. WATKINS.

H.R. 2695: Mr. MATSUI and Mr. BALLENGER.

H.R. 2740: Mrs. CLAYTON and Mr. WATT of North Carolina.

H.R. 2813: Mr. OLVER.

H.R. 3080: Ms. NORTON and Ms. CARSON of Indiana.

H.R. 3130: Mr. GOODLATTE and Mr. SMITH of Texas.

H.R. 3131: Mrs. CAPPS, Mr. FROST, Mr. CHAMBLISS, Mr. CALVERT, Mr. COSTELLO, and Mr. GREENWOOD.

H.R. 3157: Mrs. WILSON of New Mexico.

H.R. 3192: Mr. OWENS and Mrs. MINK of Hawaii.,

H.R. 3246: Mrs. THURMAN.

H.R. 3267: Mr. CLAY.

H.R. 3278: Mr. PASCRELL.

H.R. 3284: Mr. CLAY.

H.R. 3321: Mr. JOHN, Mr. CLAY, Mrs. MINK of Hawaii, Mr. STUMP, and Ms. MCCARTHY of Missouri.

H.R. 3324: Mr. SCHIFF, Ms. WOOLSEY, and Mr. THOMPSON of California.

H.R. 3358: Mrs. TAUSCHER and Mr. TURNER.

H.R. 3363: Mr. LANGEVIN, Mr. MCNULTY, Mr. LIPINSKI, Mr. ALLEN, Mr. PRICE of North Carolina, and Mr. MCGOVERN.

H.R. 3374: Mr. OWENS, Mr. FORD, Mr. FROST, Mr. CONYERS, Mrs. MEEK of Florida, Mr. UNDERWOOD, Ms. WATSON, and Mr. MCGOVERN.

H.R. 3389: Mrs. CAPPS, Mr. JEFF MILLER of Florida, Mr. BILIRAKIS, Mr. WATT of North Carolina, Mr. DIAZ-BALART, Ms. MCCOLLUM, Mr. HASTINGS of Florida, and Ms. HOOLEY of Oregon.

H.R. 3414: Mr. PHELPS and Mr. WATT of North Carolina.

H.R. 3430: Mr. FRANK.

H.R. 3486: Mr. GOODE.

H.R. 3488: Mr. TOWNS and Mrs. THURMAN.

H.R. 3524: Mr. PASTOR, Ms. VELAZQUEZ, and Mr. LATOURETTE.

H.R. 3561: Mr. GEKAS.

H.R. 3574: Mrs. THURMAN.

H.R. 3581: Mr. UNDERWOOD and Ms. MILLENDER-MCDONALD.

H.R. 3585: Mr. BARRETT.

H.R. 3605: Mr. SOUDER.

H.R. 3617: Mr. FILNER.

H.R. 3626: Mr. STUPAK and Mr. GUTKNECHT.

H.R. 3659: Mr. LANGEVIN and Mr. KENNEDY of Rhode Island.

H.R. 3694: Mr. BALLENGER, Mr. MOORE, Mr. PUTNAM, Mr. RAMSTAD, Mr. TANCREDO, Mr. KIND, Mrs. CHRISTENSEN, Mr. SHERMAN, Mr. DAVIS of Florida, Ms. DEGETTE, Mrs. CLAYTON, Mr. HILLIARD, Mr. CLAY, Ms. JACKSON-LEE of Texas, Ms. MCCARTHY of Missouri, Mrs. MEEK of Florida, Mr. SCOTT, Mr. ALLEN, Mr. REYES, Mr. WYNN, Mr. HOYER, and Mr. COOKSEY.

H.R. 3713: Mr. STUPAK.

H.R. 3717: Mr. HOLDEN, Mr. KELLER, Ms. WATSON, Mr. COMBEST, Mr. BOSWELL, Mr. BARR of Georgia, and Mr. UDALL of Colorado.

H.R. 3731: Mr. QUINN.

H.R. 3733: Mr. KUCINICH, Mr. BALDACCI, Mr. MCGOVERN, and Ms. BROWN of Florida.

H.R. 3745: Ms. JACKSON-LEE of Texas.

H.R. 3754: Mr. MCNULTY.

H.R. 3770: Mr. STARK, Mr. SHIMKUS, and Ms. DUNN.

H.R. 3792: Mr. ISAKSON, Mr. JOHNSON of Illinois, Mr. TOWNS, Mr. BOEHLERT, and Mr. STUPAK.

H.R. 3794: Mr. FERGUSON, Ms. LOFGREN, Ms. VELÁZQUEZ, Mr. DAVIS of Illinois, and Ms. ESHOO.

H.R. 3802: Mr. OTTER.
H.R. 3818: Ms. LEE and Mr. MASCARA.
H.R. 3833: Mr. SULLIVAN, Mr. BROWN of Ohio, and Mr. GILLMOR.
H.R. 3834: Mr. GORDON.
H.R. 3838: Mrs. THURMAN.
H.J. Res. 6: Mr. QUINN, Mr. GILLMOR, and Mr. FORBES.
H.J. Res. 40: Mr. RAHALL and Mr. JOHN.
H. Con. Res. 315: Mr. SHIMKUS, Mr. PICKERING, Mr. SHOWS, Mr. HOSTETTLER, Mr. SCHAFFER, and Mr. GOODE.
H. Con. Res. 318: Mr. TERRY and Mr. BALLENGER.
H. Con. Res. 341: Ms. ESHOO.
H. Res. 302: Mr. GRAVES, Mr. BUYER, Mr. NORWOOD, and Mr. WICKER.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 7 of rule XII, sponsors were deleted from public bills and resolutions as follows:

H.R. 1983: Mr. SIMMONS.

PETITIONS, ETC.

Under clause 3 of rule XII, petitions and papers were laid on the clerk's desk and referred as follows:

52. The SPEAKER presented a petition of the Legislature of Franklin County, relative to Resolution No. 317 petitioning the Congress of the United States to pass without delay and for the President of the United States to sign into law ''The State Budget Relief Act of 2001''; to the Committee on Energy and Commerce.

53. Also,a petition of the City Council of the City of Groves, Texas, relative to Resolution 2000–17 petitioning the Congress of the United States in expressing an collective desire to rid the world of terrorism of global reach; jointly to the Committees on International Relations and Armed Services.

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PROCEEDINGS AND DEBATES OF THE 107th CONGRESS, SECOND SESSION

Vol. 148 WASHINGTON, THURSDAY, MARCH 7, 2002 *No. 24*

Senate

The Senate met at 10 a.m. and was called to order by the Honorable HARRY REID, a Senator from the State of Nevada.

The PRESIDING OFFICER. Today's prayer will be by Rev. Leonard B. Jackson, Associate Minister of the First African Methodist Episcopal Church, Los Angeles, CA.

PRAYER

The guest Chaplain offered the following prayer:

Eternal Father, from differing ways we come to this Senate Chamber in manifold thoughts, hopes, and fears, but together we join our hearts as one to ask that You hear our humble prayers:

God of our weary years, God of our silent tears, You have brought us thus far on our way; cast Your shadow of love upon this Senate. Lord, grant us guidance that we may not betray our stewardship, neither mistaking the nature of our obligations nor taking for granted our charge. As we perform our sworn duty, may we stand with You, work for You, and bear with You the heavy yoke of righteousness and truth.

Father, our petition today is that You will bless the trailblazers who have paved the way and laid the foundation of our great Nation. Lord, alone we are not worthy but we can do all things through Him who strengthens us. Lord, we don't know what tomorrow holds, but we know the hand that holds tomorrow. Please keep us forever in the path we pray, so all people may share the reality of one nation under God, with liberty and justice for all.

God bless America.

Amen.

PLEDGE OF ALLEGIANCE

The Honorable HARRY REID led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER (Mrs. CLINTON). The clerk will read a communication to the Senate from the President pro tempore (Mr. BYRD).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, March 7, 2002.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable HILLARY RODHAM CLINTON, a Senator from the State of New York, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mrs. CLINTON thereupon assumed the chair as Acting President pro tempore.

The ACTING PRESIDENT pro tempore. The Senator from California is recognized.

THE GUEST CHAPLAIN

Mrs. BOXER. Madam President, I am so delighted today to welcome Reverend Jackson to our Senate family. Senator FEINSTEIN and I are so very proud of him and of the First African Methodist Episcopal Church of Los Angeles. Anyone who has visited the First African Methodist Episcopal Church of Los Angeles comes away uplifted and comes away in many ways a changed person. It is an ecumenical experience, if I might say that, because what the Reverend said today is what guides that church—that all of us should be righteous and seek justice and seek the truth. Of course, if we did that every day in this Senate and justice prevailed and truth prevailed and righteousness prevailed, this country would be on the best course.

I thank him from the bottom of my heart for that message which he gave us so quickly, but it is a very deep message which I hope we will all take to heart.

Welcome, Reverend Jackson.

Thank you, Madam President. I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Nevada.

SCHEDULE

Mr. REID. Madam President, this morning the Senate will again resume consideration of the energy bill. There will be rollcall votes on amendments throughout the day. We understand that the first amendment will be offered by Senator VOINOVICH dealing with Price-Anderson. That should not take too long. We hope we can complete that early on. Senator BINGAMAN will then offer the next amendment.

We hope to make significant progress on this bill today and tomorrow and complete the legislation next week.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, leadership time is reserved.

NATIONAL LABORATORIES PARTNERSHIP IMPROVEMENT ACT OF 2001

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of S. 517, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 517) to authorize funding the Department of Energy to enhance the mission areas through technology transfer and partnerships for fiscal years 2002 through 2006, and for other purposes.

Pending:

Daschle/Bingaman further modified amendment No. 2917, in the nature of a substitute.

Mr. REID. Madam President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

The assistant legislative clerk proceeded to call the roll.

Mr. SMITH of Oregon. Madam President, I ask unanimous consent the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. SMITH of Oregon. Madam President, I ask unanimous consent to speak for 2, maybe 3 minutes as in morning business.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(The remarks of Mr. SMITH of Oregon are printed in today's RECORD under ''Morning Business.'')

Mr. SMITH of Oregon. Madam President, I yield the floor and suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. VOINOVICH. Madam President, I ask unanimous consent the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

AMENDMENT NO. 2983 TO AMENDMENT NO. 2917, AS FURTHER MODIFIED

Mr. VOINOVICH. Madam President, I send an amendment to the desk and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Ohio [Mr. VOINOVICH], for himself, Mr. BINGAMAN, Mr. SMITH of New Hampshire, Mr. DOMENICI, Ms. LANDRIEU, Mr. MURKOWSKI, Mr. HAGEL, Mr. CRAPO, Mr. THOMAS, Mr. INHOFE, Mr. THOMPSON, Mr. BOND, Mr. CAMPBELL, Mr. FRIST, Mr. KYL, and Mr. CRAIG, proposes an amendment numbered 2983 to amendment No. 2917.

Mr. VOINOVICH. Madam President, I ask unanimous consent reading of the amendment be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To reauthorize the Price-Anderson Act)

On page 115, strike line 5 and all that follows through page 119, line 10 and insert the following:

Subtitle A—Price-Anderson Act Reauthorization

SEC. 501. SHORT TITLE.

This subtitle may be cited as the ''Price-Anderson Amendments Act of 2002''.

SEC. 502. EXTENSION OF INDEMNIFICATION AUTHORITY.

(a) INDEMNIFICATION OF NUCLEAR REGULATORY COMMISSION LICENSEES.—Section 170 c. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(c)) is amended—

(1) in the subsection heading, by striking ''LICENSES'' and inserting ''LICENSEES''; and

(2) by striking ''August 1, 2002'' each place it appears and inserting ''August 1, 2012''.

(b) INDEMNIFICATION OF DEPARTMENT OF ENERGY CONTRACTORS.—Section 170 d.(1)(A) of the Atomic Energy Act of 1954 (42 U.S.C. 2210(d)(1)(A)) is amended by striking '', until August 1, 2002,''.

(c) INDEMNIFICATION OF NONPROFIT EDUCATIONAL INSTITUTIONS.—Section 170 k. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(k)) is amended by striking ''August 1, 2002'' each place it appears and inserting ''August 1, 2012''.

SEC. 503. DEPARTMENT OF ENERGY LIABILITY LIMIT.

(a) INDEMNIFICATION OF DEPARTMENT OF ENERGY CONTRACTORS.—Seciton 170 d. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(d)) is amended by striking paragraph (2) and inserting the following:

''(2) In agreements of indemnification entered into under paragraph (1), the Secretary—

''(A) may require the contractor to provide and maintain financial protection of such a type and in such amounts as the Secretary shall determine to be appropriate to cover public liability arising out of or in connection with the contractual activity; and

''(B) shall indemnify the persons indemnified against such liability above the amount of the financial protection required, in the amount of $10,000,000,000 (subject to adjustment for inflation under subsection t.), in the aggregate, for all persons indemnified in connection with such contract and for each nuclear incident, including such legal costs of the contractor as are approved by the Secretary.''.

(b) CONTRACT AMENDMENTS.—Section 170 d. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(d)) is further amended by striking paragraph (3) and inserting the following:

''(3) All agreements of indemnification under which the Department of Energy (or its predecessor agencies) may be required to indemnify any person under this section shall be deemed to be amended, on the date of the enactment of the Price-Anderson Amendments Act of 2002, to reflect the amount of indemnity for public liability and any applicable financial protection required of the contractor under this subsection.''.

(c) LIABILITY LIMIT.—Section 170 e.(1)(B) of the Atomic Energy Act of 1954 (42 U.S.C. 2210(e)(1)(B)) is amended

(1) by striking ''the maximum amount of financial protection required under subsection b. or''; and

(2) by striking ''paragraph (3) of subsection d., whichever amount is more'' and inserting ''paragraph (2) of subsection d.''.

SEC. 504. INCIDENTS OUTSIDE THE UNITED STATES.

(a) AMOUNT OF INDEMNIFICATION.—Section 170 d.(5) of the Atomic Energy Act of 1954 (42 U.S.C. 2210(d)(5)) is amended by striking ''$100,000,000'' and inserting ''$500,000,000''.

(b) LIABILITY LIMIT.—Seciton 170 e.(4) of the Atomic Energy Act of 1954 (42 U.S.C. 2210(e)(4)) is amended by striking ''$100,000,000'' and inserting ''$500,000,000''.

SEC. 505. REPORTS.

Section 170 p. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(p)) is amended by striking ''August 1, 1998'' and inserting ''August 1, 2008''.

SEC. 506. INFLATION ADJUSTMENT.

Section 170 t. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(t)) is amended—

(1) by redesignating paragraph (2) as paragraph (3); and

(2) by adding after paragraph (1) the following:

''(2) The Secretary shall adjust the amount of indemnification provided under an agreement of indemnification under subsection d. not less than once during each 5-year period following July 1, 2002, in accordance with the aggregate percentage change in the Consumer Price Index since—

''(A) that date, in the case of the first adjustment under this paragraph; or

''(B) the previous adjustment under this paragraph.''.

SEC. 507. CIVIL PENALTIES.

(a) REPEAL OF AUTOMATIC REMISSION.—Section 234A b.(2) of the Atomic Energy Act of 1954 (42 U.S.C. 2282a (b)(2)) is amended by striking the last sentence.

(b) LIMITATION FOR NOT-FOR-PROFIT INSTITUTIONS.—Subsection d. of section 234A of the Atomic Energy Act of 1954 (42 U.S.C. 2282a(d)) is amended to read as follows:

''d. (1) Notwithstanding subsection a., in the case of any not-for-profit contractor, subcontractor, or supplier, the total amount of civil penalties assessed under subsection a. may not exceed the total amount of fees paid within any one-year period (as determined by the Secretary) under the contract under which the violation occurs.

''(2) For purposes of this section, the term 'not-for-profit' means that no part of the net earnings of the contractor, subcontractor, or supplier inures, or may lawfully inure, to the benefit of any natural person or for-profit artificial person.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall not apply to any violation of the Atomic Energy Act of 1954 occurring under a contract entered into before the date of enactment of this section.

SEC. 508. TREATMENT OF MODULAR REACTORS.

Section 170 b. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(b)) is amended by adding at the end the following:

''(5)(A) For purposes of this section only, the Commission shall consider a combination of facilities described in subparagraph (B) to be a single facility having a rated capacity of 100,000 electrical kilowatts or more.

''(B) A combination of facilities referred to in subparagraph (A) is 2 or more facilities located at a single site, each of which has a rated capacity of 100,000 electrical kilowatts or more but not more than 300,000 electrical kilowatts, with a combined rated capacity of not more than 1,300,000 electrical kilowatts.''.

SEC. 509. EFFECTIVE DATE.

The amendments made by sections 503(a) and 504 do not apply to any nuclear incident that occurs before the date of the enactment of this subtitle.

Mr. VOINOVICH. Madam President, I rise today to offer the Price-Anderson reauthorization bill as an amendment to the Energy Policy Act. Last year, as the former chairman of the Nuclear Safety Subcommittee, I introduced the Price-Anderson reauthorization bill, S. 1360, that reauthorizes the insurance program for commercial nuclear reactors.

The Price-Anderson Act was first passed back in 1957 and has been renewed three times since then. The current authorization expires on August 1 of this year.

This amendment provides the insurance program for commercial nuclear powerplants and Department of Energy contractor employees. In my State of Ohio, this is very important for the contractor employees who are currently working at the Mound and Fernald facilities, former sites of nuclear facilities of the Department of Energy.

This is the type of must-pass legislation that keeps the trains of Government running on time.

I think it is important to note that during the previous administration, both the Department of Energy and the

Nuclear Regulatory Commission issued reports to Congress recommending the reauthorization of Price-Anderson.

The DOE and the NRC reports also called for a doubling of the annual premium paid by the nuclear reactors from $10 million to 20 million.

This recommendation was made prior to the relicensing process. At that time, the Nuclear Regulatory Commission projected that up to half of our nuclear reactors would be retired instead of being relicensed. We have something like 103 nuclear reactors out there.

However, thanks to regulatory improvements made in the process, largely due to the oversight of the Nuclear Safety Subcommittee, the NRC believes that most of our nuclear reactors will be in fact relicensed. Therefore, the NRC issued a statement last year revising their projections and recommending that the annual premium not be increased. This amendment follows those recommendations.

It is important for the American public to understand how the Price-Anderson liability program works. First of all, it is important to understand it is not a Federal subsidy. The nuclear industry actually funds the program. Each nuclear powerplant purchases liability insurance to cover the first $200 million from private insurers for immediate response in the case of an accident. If the costs exceed $200 million and additional funds are needed, all the other nuclear reactors—and there are 103 of them—contribute up to $88 million each. That totals $9.3 billion.

These funds are contributed by other reactors in increments of $10 million per year. If more than the $9.3 billion would be needed, Congress could then go back to the industry and demand a larger contribution.

I know of no other industry in which all of the competitors agree up front to pay for the mistakes or acts of God that impact upon any one company.

In addition, I know of no facilities of any type anywhere in the country which are insured for $9.3 billion. It is incredible.

It is also important to note for the American public that the industry does something else that is very unusual. It waives its traditional tort defenses so that the fund begins making payments immediately instead of fighting out claims in the courts. If we had some kind of a nuclear disaster somewhere, as we did at Three Mile Island, immediately the insurance companies start paying out claims. As a matter of fact, after Three Mile Island, claims offices were on the site within 24 hours. It provides more insurance coverage for Americans and provides the coverage up front.

America's nuclear energy industry currently provides approximately 20 percent of our energy, while fossil fuels, such as oil, coal, and natural gas, provide the bulk of the remainder. Nuclear energy is particularly used in the northeast part of the United States.

Nuclear power is a safe and reliable energy source. It is also a zero-emission source of energy.

As I discussed in the Senate on Tuesday, just since the nuclear energy has prevented 62 million tons of sulfur dioxide, a key component of acid rain, and 32 million tons of nitrogen oxide, a precursor to ozone, from being released into the atmosphere. It has probably contributed more to a reduction in emissions than any other source of energy but for solar and wind and hydroelectric.

This has had a tremendous positive effect on the environment and public health. In my view and in the view of many, coal and nuclear power have been inappropriately demonized over the last few years. These characterizations are patently unfair if we look at the record.

Both are efficient and cost-effective sources of energy, and given our current energy consumption rates, we are going to be dependent upon them for the foreseeable future.

The truth is, we are not meeting our energy needs currently domestically. And if we look at 20-year projections, we are going to need another 30 percent production of energy if we are going to be competitive.

We are taking steps to make coal a cleaner burning fuel. We should also do whatever we can to promote a safe and efficient nuclear energy industry for our Nation and encourage the development of new nuclear reactors such as modular reactors which we have been discussing of late. Reauthorizing the Price-Anderson Act is a major step in that direction.

I thank my colleagues for cosponsoring this amendment: Senators BINGAMAN, BOB SMITH, INHOFE, MURKOWSKI, DOMENICI, LANDRIEU, HAGEL, CRAPO, THOMAS, BOND, CAMPBELL, and FRIST. I urge all of my colleagues to support this amendment. This should not be something that is extremely controversial. It is long overdue. It is something we have had since 1957. We should get on with it and make it part of Senator DASCHLE's energy legislation.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from New Mexico.

Mr. BINGAMAN. Madam President, I commend the Senator for offering this amendment. I am cosponsoring the amendment. Title V of the underlying bill we are debating renews the provisions of the Price-Anderson Act that relate to Department of Energy contractors, but it does not renew those that relate to NRC licensees.

The reason is that jurisdiction over the contractor provisions was in the Energy Committee, which was where we were largely developing this bill. The jurisdiction over the NRC licensee provisions is in the Environment Committee that Senator SMITH chaired. Some members of the Environment Committee asked us not to include provisions that were under its jurisdiction in this substitute. The pending amendment Senator VOINOVICH has offered now provides a substitute for the Price-Anderson provisions in the underlying bill.

It repeats the provisions that renew DOE contractor portions of Price-Anderson that are already there, and in addition, it adds the new provisions related to the NRC licensee part of the act.

Let me give a short summary of what the pending amendment would do. Section 502 of the amendment extends the NRC's indemnification authority for another 10 years. That has been recommended by the Nuclear Regulatory Commission, and it is part of what Senator VOINOVICH is proposing. It extends the indemnification authority of the Department of Energy indefinitely. That is also consistent with the 1998 report of the Department of Energy.

Section 503 of the amendment raises the liability limit for DOE contractors and hence the amount that DOE indemnifies its contractors up to $10 billion, which would be adjusted in the future for inflation.

Under current law, the liability limit for DOE contractors is tied to the maximum liability of Nuclear Regulatory Commission licensees, which is currently at $9 billion.

Section 504 increases the liability limits and indemnification for accidents involving government-owned nuclear facilities or devices located outside the United States from the $100 million, where it presently is, to $500 million. This increase also was recommended by the Department of Energy. It is consistent with international nuclear liability standards.

Section 505 requires both the Department of Energy and the Nuclear Regulatory Commission to submit new reports on the need to continue or modify the act in 2008.

Section 506 requires the Secretary of Energy to adjust the $10 billion liability limit every 5 years for inflation. This is consistent also with the provision in existing law that requires the Nuclear Regulatory Commission to adjust the limit for Nuclear Regulatory Commission licensees.

Section 507 repeals two provisions in current law that exempt nonprofit Department of Energy contractors from civil penalties for nuclear safety violations.

Section 507 subjects nonprofit contractors to set civil penalties. It limits the total amount of those penalties to the fee the contractor receives in any year under the contract.

Finally, section 508 provides two or more so-called ''modular'' reactors that are located at one site should be treated as a single nuclear powerplant for purposes of assessing premiums under the Price-Anderson Act. This provision has been added to allow for the use of some of the new advanced technology reactor designs that make use of several small reactor modules to do the work of a single large nuclear

reactor. The provision will permit the NRC to treat a collection of these modules at a single site as a single reactor for Price-Anderson purposes.

In summary, the Price-Anderson Act has served this nation well for 45 years, by enabling utilities to generate 20 percent of our Nation's electricity with nuclear power, universities to conduct important nuclear research, and corporations to build nuclear weapons for our national defense without the threat of unlimited liability.

At the same time, the act has ensured that the public will be compensated in the event of a nuclear accident, that adequate funds will be available to pay claims, and that victims will be able to recover through an efficient no-fault liability system, which waives many of the legal obstacles that would confront victims in the absence of the act.

The important pending amendment renews this important law with a minimum number of changes, and in ways consistent with the strong recommendations we have received from the two agencies charged with administering it. I urge its adoption.

The ACTING PRESIDENT pro tempore. The Senator from New Hampshire is recognized.

Mr. SMITH of New Hampshire. Madam President, I rise in very strong support of the Voinovich-Bingaman Price-Anderson amendment.

Senator VOINOVICH has long been a leader at the EPW Committee on nuclear issues. I am proud to join him as a cosponsor of this amendment. Last year, Senator VOINOVICH introduced S. 1360 to reauthorize Price-Anderson for NRC licensees—a bill of which I was an original cosponsor, as the ranking member of the Environment and Public Works Committee. I am also pleased to be joining my colleagues on both the Energy Committee and on my own committee in cosponsoring this amendment. I especially thank Senator BINGAMAN for his cooperation with us on this issue.

Price-Anderson addresses two classes of nuclear facilities: commercial nuclear reactors and Federal nuclear facilities operated by ''DOE contractors.'' It combines both NRC licensee and DOE contractor provisions of Price-Anderson.

I want to speak for a couple of minutes to the provisions of the amendment that deal with NRC licensees, as that is where the EPW Committee has focused its efforts. It does two very simple things. No. 1, it reauthorizes Price-Anderson for NRC licensees for an additional 10 years—consistent with NRC recommendations. Secondly, the amendment recognizes that new nuclear technologies—technologies that provide smaller, modular, cost-effective, and even safer reactors—are on the horizon. That is the future. This amendment allows for that new technology to come forth and to be used.

For the purposes of secondary protection requirements, this amendment treats modular reactor facilities containing modules of 100 to 300 megawatts, up to a total of 1,300 megawatts, as a single facility.

These modular units—now being developed—are the future of nuclear power, and it is important that Price-Anderson recognize the difference between these smaller modular units and the current larger facilities. Again, this legislation—this amendment—will allow for this modular concept to take hold and bring us into the future with nuclear power.

The background has been stated on Price-Anderson by my colleagues, but just briefly to summarize, it was a law passed in 1957 in order to provide immediate compensation in the event of a nuclear accident.

Price-Anderson is the best mechanism for providing the highest level of compensation in the shortest period of time, without having to put victims through an arduous and protracted legal process.

Equally important, it is the best deal for the taxpayer. With Price-Anderson, if there were a nuclear accident or incident, up to $9.5 billion would be available to compensate any victims. Not one dime of that money would come from taxpayers. It comes from a combination of insurance coverage and the industry itself—the entire nuclear industry pooling their collective resources—and this is compensation without having a lengthy judicial process to determine liability or culpability. So the law requires the insured and the insurers to waive most standard legal defenses. Fault does not need to be established. That is very important. Absent Price-Anderson, victims would have to rely on the court system, and damages would effectively be limited by the assets of a single company.

It is unlikely that any one company, on its own, would ever be capable of paying out $9.5 billion in damages in the case of an accident. So the bottom line is that without Price-Anderson there would be less money available and it would take years for the dollars to work their way through the courts and then to those who need immediate assistance. That assumes there would be something left after the lawyers have taken their share. We don't know whether that would be the case or not. It is likely that the taxpayer, via Congress, would already have stepped in and provided whatever financial assistance was needed. The events of September 11 showed how quickly Congress can act in a disaster situation.

Price-Anderson is a good deal for the taxpayers, for the industry, and for victims seeking damages.

I understand there are those who don't like nuclear energy and will see the Price-Anderson debate as a means to stop nuclear power. I respect the rights and integrity of those who hold this view. I don't think they are right. We will have a lot of energy needs in the coming decades, and nuclear power can provide them cleanly and efficiently.

There are enormous benefits to nuclear power. The majority of energy generated in New Hampshire is from nuclear power from the Seabrook nuclear powerplant—about 60 percent of it to be exact. I wonder where we would be today for our energy needs had that reactor not been built, in spite of the controversy and hard times we had to get it built. Seabrook Station has proven to be a safe, reliable source of power, not only for New Hampshire but for a large part of New England.

These are great benefits. They are tremendous benefits. It can't be overlooked. I have spent the better part of 2 years working to come up with a bipartisan plan for reducing utility emissions without compromising our long-term energy security. In fact, Senator VOINOVICH has been a valued partner in that effort.

Nuclear power allows us to generate enormous amounts of energy at low cost and with zero emissions. I know the issue of the waste comes up and it is very controversial; that is an issue we are going to have to confront. But when you are talking about emissions, this nuclear power is safe and efficient. It allows us to generate this power, as I said, at low cost with zero emissions, no SO_x, NO_x, mercury, and no carbon dioxide. Zero.

Nuclear provides 20 percent of our Nation's energy production, with no emissions. We need to be able to not have that diminished further as these powerplants get older and older. One way to do that is with this modular concept for which we provide. If we want clean air and energy security, nuclear has to be a part of any reasonable energy plan.

We should be encouraging the development of new, more effective and safe nuclear technologies. I am not saying this to the exclusion of other sources of power—renewables such as water, wind, solar, and others; we are not excluding those. We want to continue to do research there. I want to make it clear from this Senator's position, it is not only about nuclear power, it is all sources of power that can be efficient, clean, and produce what we need.

At a minimum, we ought not to be discouraging this kind of technology and what this nuclear industry can do. If we don't reauthorize Price-Anderson, we effectively kill all the new promising technologies that are the next generation of emissions-free power production. We can't afford to do that.

This amendment recognizes the recommendations made by the NRC, and they should be adopted. Price-Anderson enjoys strong bipartisan support in this body, as well as on the other side of the Capitol in the House.

Again, I thank Senator VOINOVICH and Senator BINGAMAN for their leadership. It has been a pleasure to work with them and Senator INHOFE on nuclear issues in the committee. They deserve a great deal of credit—Senators

VOINOVICH and INHOFE—for the work they have done. I particularly thank my friends on the Energy Committee for their collective effort in bringing this bipartisan amendment to the floor—in particular, Senators MURKOWSKI, DOMENICI and, again, Senator BINGAMAN.

Madam President, I urge my colleagues to support this bipartisan amendment to reauthorize the Price-Anderson Act. I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Idaho.

Mr. CRAIG. Madam President, I join my colleague from New Hampshire in thanking Senator VOINOVICH, Senator INHOFE, a good number of folks on our side of the aisle, and certainly a good number on the Democratic side of the aisle for crafting what I think is truly a bipartisan amendment to a necessary and important mix of our energy portfolio in this country.

As you know, the Price-Anderson Act provides a substantial amount of the necessary insurance protection for the commercial sector to deal with nuclear energy in our country.

The Price-Anderson Act removed the deterrent to private sector participation in nuclear activities when there was a substantial threat of liability.

As we know, the historic management of our nuclear facilities on the private side, the commercial side of the equation has proven to be very successful and very safe throughout their operation.

The kind of protection we have offered in no way has ever deterred or lessened the desire or the responsibility of good management. In fact, the Nuclear Regulatory Commission has not only ensured that by its constant and vigilant oversight—and certainly the private sector in operating these reactors for the benefit of the country has known that—but has demonstrated that very clearly. It is truly one of the great success stories of energy generation in our country that is not often told.

Why? Because when we talk nuclear, there are automatic reactions and some risks are argued even though those risks have never effectively played out in an area of effective regulation, quality management of the kind we have seen historically within the nuclear industry of this country.

Price-Anderson is an act that has been working well since its origination in 1957. We will need nuclear energy as we meet the growing energy needs of our country. My colleague from New Hampshire was just talking about clean energy and its importance. There is no cleaner energy than that which is produced by a nuclear reactor and electrical generator. That has clearly demonstrated itself historically.

All I can say today is, thank goodness that 20 percent of our energy basket in this country is nuclear. I wish it were more. If it were more, I think we would have less concern today about the climate change issue and other issues such as greenhouse gases released into the environment. That is going to push us, as it should, toward ever-increasing higher levels of technology and the application of that technology to make cleaner fuels.

While doing that, many of us in this body and the other body have recognized the value of advancing nuclear reactor design. Over the last several years, Senator DOMENICI from New Mexico, chairing the Appropriations Energy Subcommittee, and I have worked to increase budgets to allow for that kind of experimentation and development.

The administration in its new budget has come forth with a proposal called 2010 to invest money in the new technologies of nuclear reactors, to get that technology to the marketplace and to the private sector and to allow an ever-increasing amount of our energy portfolio to become nuclear generated.

As a result, reauthorization of the Price-Anderson Act is absolutely critical because without it, and without that kind of protection, the reality of expanding that energy base simply would not happen.

As we know, just in the last 3 weeks the President has proposed a new and dramatic direction for climate change in our country with the bringing together of science, the application of new computer models, and the idea of not picking winners and losers but allowing the great technology and the human mind in this country to lead the world to a cleaner environment.

We cannot get there and have an abundance of energy that will drive this wonderful economy of ours and create the jobs that it can and has created without nuclear energy as a part of it. There is no technology today that builds at those levels of commercial power production without nuclear energy being a part of it and an increasing part of that overall energy basket.

That is why we are here today. I think that is why we have arrived at a bipartisan approach to this issue. Some of my colleagues on the other side of the aisle who a decade ago were archcritics of nuclear energy are quietly saying today: We recognize that new technology in this area, new reactor design, has to come about if we are going to lead the world and have safer and more abundant forms of energy. That is why this overall energy bill is critical, with all of the new approaches that we bring, along with assuring current levels of hydrocarbon production and new levels of hydrocarbon production, and, at the same time, clearly technology and the application of that brings us to a cleaner environment that can be and must be abundant in energy.

I do appreciate the opportunity to speak briefly on the reauthorization of the Price-Anderson Act. It is an important part of any national energy policy for our country. I am confident it can pass because it has been brought before this body in a bipartisan effort.

Madam President, I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Nevada.

Mr. REID. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. JEFFORDS. Mr. President, I want to express my concern about the provisions of this amendment, and state my reasons for opposing it.

As Chairman of the Committee on Environment and Public Works, which has jurisdiction over the licensing and regulation by the Nuclear Regulatory Commission of the Nation's commercial nuclear power plants, I have a very strong interest in the application of the provisions of Price-Anderson.

Under the Atomic Energy Act of 1954, the Nuclear Regulatory Commission has the obligation to assure the safety and security of our Nation's nuclear power plants, and to oversee compensation to the public in the event of a catastrophic accident. This is the most serious of responsibilities.

My State of Vermont receives much of its power from the Vermont Yankee Nuclear Power Plant. While I am supportive of nuclear power and the many benefits it brings, I am deeply and personally aware of the potential dangers to the public that a nuclear power plant could pose, should something go wrong.

Since the events of September 11, of course, intense scrutiny has been given to security at nuclear plants, and chairman of the EPW Committee, I am committed to ensuring that our obligations to protect the public are fully met. Because this amendment fails to satisfy that responsibility,I must oppose it.

The Price-Anderson Act establishes a system of liability, and compensation to the general public for damages in the event of a nuclear accident, an ''extraordinary nuclear occurrence'' in the language of the Atomic Energy Act. The current language provides that every commercial reactor having a rated capacity of 100,000 electrical kilowatts or more must obtain insurance as provided in the act.

Section 508 of the amendment would make an exception for modular reactors, which are small reactors in the 100 to 110 kilowatt range, that must be clustered together in order to be economically viable. The amendment would treat them as a group of units comprising a single nuclear reactor. This would prevent each module from being treated, for purposes of liability coverage under Price-Anderson, as an individual reactor. Without this protection, construction of these modular reactors would not in all likelihood be economically viable.

The safety and performance of these reactors is still a matter of considerable speculation. I am not satisfied that these issues have been sufficiently reviewed within my committee or elsewhere to justify encouraging their continued development at this time. Particularly with the events of September 11 heavy in our hearts and in our minds, I believe we must act with due caution in authorizing activities which we are not fully satisfied meet our obligations for protection of the public health and safety.

Along those same lines, there are a number of issues relating to the adequacy of Price-Anderson that should be given greater scrutiny following the events of September 11. We must determine whether liability limits established under the Act are sufficient, given the potential for terrorist attack as we now perceive it. In so doing, we must carefully examine what are likely to be the full scale impacts to the public from a terrorist attack resulting in an ''extraordinary nuclear occurrence.''

We have requested this information from the Nuclear Regulatory Commission, but have not yet received a full response. I intend to work with my colleagues to develop language to address some of these concerns. I do not believe the amendment adequately addresses these issues, and for that reason, I will oppose it.

AMENDMENT NO. 2984 TO AMENDMENT NO. 2983

Mr. REID. Madam President, I send an amendment to the desk.

The ACTING PRESIDENT pro tempore. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nevada [Mr. REID] proposes an amendment numbered 2984 to amendment No. 2983.

Mr. REID. Madam President, I ask unanimous consent that the reading of the amendment be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment is as follows:

In lieu of the matter to be inserted, insert the following:

SEC. 5____. FINANCIAL PROTECTION FOR LICENSEES.

(a) STANDARD DEFERRED PREMIUM.—Section 170b.(1) of the Atomic Energy Act of 1954 (42 U.S.C. 2210(b)(1)) is amended in the third sentence by striking ''$63,000,000 (subject to adjustment for inflation under subsection t.), but not more than $10,000,000 in any 1 year'' and inserting ''$88,000,000 (subject to adjustment for inflation under subsection t.), but not more than $20,000,000 in any 1 year (subject to adjustment for inflation under subsection t.)''.

(b) FINANCIAL HARDSHIP.—Section 170b.(2)(A) of the Atomic Energy Act of 1954 (42 U.S.C. 2210(b)(2)(A)) is amended by striking ''paragraph (1)'' and all that follows and inserting ''paragraph (1) for any facility if more than 1 nuclear incident occurs in any 1 calendar year.''.

(c) NEW LICENSES.—Section 170c. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(c)) is amended—

(1) by striking ''The Commission'' and inserting the following:

''(1) LICENSES ISSUED ON OR BEFORE AUGUST 1, 2002.—The Commission''; and

(2) by adding at the end the following:

''(2) LICENSES ISSUED AFTER AUGUST 1, 2002.—After August 1, 2002, as a condition to receiving a license for a utilization facility under this Act, the applicant, before receiving the license, shall obtain insurance coverage from the private insurance market for the full potential liability (including the public liability and any other liability) of the person that might arise as a result of a nuclear incident at the utilization facility.

SEC. 5____. GUARANTEE OF DEFERRED PREMIUM; FINANCIAL QUALIFICATIONS.

Section 170b. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(b)) is amended by adding at the end the following:

''(5) GUARANTEE OF DEFERRED PREMIUM.—

''(A) CONDITION OF INDEMNIFICATION.—Not later than 180 days after the date of enactment of this paragraph, and not less frequently than each year thereafter, the Commission, in consultation with the Securities and Exchange Commission, shall, as a condition of indemnification, require each licensee to demonstrate that the licensee has the financial ability to pay the full potential retrospective premium for each reactor through 1 or more of—

''(i) a surety bond;

''(ii) a letter of credit or loan;

''(iii) an insurance policy; or

''(iv) maintenance of an escrow deposit of government securities in reserves, a trust, or an equivalent instrument.

''(B) REORGANIZATION PROCEEDINGS.—If a licensee or creditors of a licensee file a petition under chapter 11 of title 11, United States Code, for reorganization of the licensee, the Commission—

''(i) shall review the ability of the licensee to—

''(I) pay the full amount of prospective and standard deferred premiums; and

''(II) ensure that adequate funds will be available for safe operation of the licensed facility; and

''(ii) if the Commission determines that the licensee is unable to meet the requirements of clause (i), shall not renew any indemnification of the licensee under this section.

''(6) FINANCIAL QUALIFICATIONS.—

''(A) IN GENERAL.—The Commission, in consultation with the Securities and Exchange Commission, shall establish criteria and procedures for determination of the minimum financial qualifications for new licensees (including license transferees) to ensure that the new licensee has the resources and instruments necessary to—

''(i) operate safely if it becomes necessary to shut down a reactor for 12 months or longer; and

''(ii) ensure payment of prospective and deferred premiums under this subsection.

''(B) CONDITION.—A license shall be conditioned on meeting and maintaining the minimum financial qualifications established under subparagraph (A).''.

SEC. 5____. PRESIDENTIAL COMMISSION ON INCIDENT CONSEQUENCES.

Section 170(l) of the Atomic Energy Act of 1954 (42 U.S.C. 2210(l)) is amended—

(1) in paragraph (1), by striking ''1988'' and inserting ''2002'';

(2) in paragraph (2)—

(A) in subparagraph (A), by striking ''not less than 7 and not more than 11 members'' and inserting ''6, 8, 10, or 12 members''; and

(B) in subparagraph (B), by striking ''not more than a mere majority of the members are of the same political party'' and inserting ''there are equal numbers of members of each major political party''; and

(3) by striking paragraph (3) and inserting the following:

''(3) DUTIES.—

''(A) IN GENERAL.—The study commission shall conduct a comprehensive study of the economic, public health, and environmental impacts of nuclear incidents that may result in a full breach of containment and uncontained meltdown at a facility built in accordance with an existing design or a proposed design.

''(B) INPUTS.—The matters to be studied under subparagraph (A) include—

''(i) for each existing and proposed facility—

''(I) the public health effects; and

''(II) the economic costs attributable to public health effects, property damage, environmental damage, and evacuation and resettlement of affected populations;

of a worst-case nuclear incident; and

''(ii) the ability of the licensee of each existing or proposed facility to pay the standard deferred premium for a potential occurrence at each covered facility of the licensee and at a facility that is not covered by the licensee.

''(C) SENSITIVITY ANALYSIS.—

''(i) IN GENERAL.—In studying the matters under subparagraph (B)(i), the study commission shall conduct a sensitivity analysis based on various modeling input assumptions to determine the maximum potential consequences of a worst-case nuclear incident.

''(ii) ASSUMPTIONS.—The assumptions on which the sensitivity analysis is based shall include assumptions regarding—

''(I) nuclear incident scenarios;

''(II) weather patterns;

''(III) traffic patterns; and

''(IV) human behavior that may have an effect on evacuation of persons threatened by a nuclear incident.''.

SEC. 5____. ACTS OF TERRORISM.

Section 11q. of the Atomic Energy Act of 1954 (42 U.S.C. 2014(q)) is amended—

(1) by striking ''q. The term'' and inserting the following:

''q. NUCLEAR INCIDENT.—

''(1) IN GENERAL.—The term''; and

(2) by adding at the end the following:

''(2) OCCURRENCES.—

''(A) IN GENERAL.—In paragraph (1), the term 'occurrence' includes an act that the President determines to have been an act of domestic terrorism or international terrorism (as those terms are defined in section 2331 of title 18, United States Code).

''(B) NO JUDICIAL REVIEW.—A determination of the President under subparagraph (A) shall not be subject to judicial review.''.

SEC. 5____. TREATMENT OF NUCLEAR REACTOR FINANCIAL OBLIGATIONS.

Section 523 of title 11, United States Code, is amended by adding at the end the following:

''(f) TREATMENT OF NUCLEAR REACTOR FINANCIAL OBLIGATIONS.—Notwithstanding any other provision of this title—

''(1) any funds or other assets held by a licensee or former licensee of the Nuclear Regulatory Commission, or by any other person, to satisfy the responsibility of the licensee, former licensee, or any other person to comply with a regulation or order of the Nuclear Regulatory Commission governing the decontamination and decommissioning of a nuclear power reactor licensed under section 103 or 104b. of the Atomic Energy Act of 1954 (42 U.S.C. 2133, 2134(b)) shall not be used to satisfy the claim of any creditor in any proceeding under this title, other than a claim resulting from an activity undertaken to satisfy that responsibility, until the decontamination and decommissioning of the nuclear power reactor is completed to the satisfaction of the Nuclear Regulatory Commission;

''(2) obligations of licensees, former licensees, or any other person to use funds or other assets to satisfy a responsibility described in paragraph (1) may not be rejected, avoided, or discharged in any proceeding under this title or in any liquidation, reorganization, receivership, or other insolvency proceeding under Federal or State law; and

''(3) private insurance premiums and standard deferred premiums held and maintained in accordance with section 170b. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(b)) shall not be used to satisfy the claim of any creditor in any proceeding under this title, until the indemnification agreement executed in accordance with section 170c. of that Act (42 U.S.C. 2210(c)) is terminated.''.

Mr. REID. Madam President, the Price-Anderson Act was created nearly 50 years ago to stimulate the fledgling nuclear power industry by shielding owners from the full cost of an accident. The nuclear industry is now a mature electric industry and is no longer in need of liability protection.

The Price-Anderson Act has actually led to a decrease in the amount of private insurance available instead of increasing it. In the 1950s, the private insurance industry was willing to insure an accident for $50 million despite limited experience with the new technology. Today, the private insurance industry only provides $200 million in insurance. I say only, Madam President. Think about that. One accident, think what it would do.

On public radio today, there was a segment that dealt with your State, New York. What would happen if a dirty bomb were dropped on New York? What is a dirty bomb? A dirty bomb could be TNT surrounded by the same piece of equipment that is used to irradiate food. That little piece of equipment would cause 1 out of 100 people in New York City to develop cancer.

Madam President, $200 million sounds like a lot of money, but it is not very much money when we talk about the damage nuclear power can cause.

Today, Price-Anderson serves to shield the nuclear power industry from the true costs of producing power, providing an unfair economic advantage over other traditional and alternative electrical sources. For example, wind has a tax credit—or, if we extend it, will have and has had one—solar, geothermal, nothing; biomass, nothing; but yet we give this sweetheart deal to nuclear power. The nuclear power industry must assure compensation to the public in the event of an accident, as any other business. The nuclear power industry must not shirk its responsibility.

Although an event we hope is unlikely, we are also hopeful that an accident never occurs. We must acknowledge the possibility of a catastrophic event. We know that the Titanic was unsinkable but, of course, it sank on its first voyage.

To address the shortcomings I have spoken about, and more, my amendment would modernize the Price-Anderson coverage for existing reactors and would require new reactors to obtain private insurance to cover the full amount of a nuclear accident. It would raise the maximum annual contribution for reactor owners from $10 million to $20 million. The Nuclear Regulatory Commission recommended this increase in 1998 and then backed down.

My amendment also would require each reactor owner to guarantee the full financial commitment of each reactor using hard money resources such as surety bonds, letters of credit, private insurance, escrow deposit accounts. Currently, the NRC requires only a 3-month cashflow statement to demonstrate the reactor owner can pay $10 million. Based upon Enron accounting and Andersen accounting, this is not the way to do it.

My amendment would establish a Presidential commission to examine the public health and environmental consequences of a catastrophic accident. My amendment would protect the Price-Anderson payments for victims if the owner of a reactor filed for bankruptcy.

Finally, my amendment would require the President to determine if an intentional act against a nuclear powerplant was an act of terrorism covered under Price-Anderson.

Together, these amendments make Price-Anderson a viable system, perhaps, or at least a more viable system, for existing reactors and take away the training wheels for the next generation of nuclear powerplants so they can succeed on their own merits. Taken together, this amendment will let the nuclear industry stand on its own two feet. Taken together, these amendments will protect the environment and the American people for generations to come.

This is a very serious issue with which we are dealing. A resident of the Chair's State, Christy Brinkley, who is a famous woman—not only because of how she looks but how she thinks—has become really involved in things nuclear. She has testified at hearings in Washington.

Our committee, of which the Presiding Officer is a member, held a hearing on Price-Anderson. We do not have all the jurisdiction of Price-Anderson. The Energy Committee that is handling this bill has some of the jurisdiction. But if there were ever things legislative that the Environment Committee should deal with, it would be nuclear power. Christy Brinkley is one of many who recognize the problems involved.

Every environmental—I should not say every environmental group; there may be a few missing, but most environmental groups in Washington signed a letter supporting the amendment I have offered, recognizing that it is important Price-Anderson be changed. It is not fair the way things now are. Why should they have the benefit of government handouts, really, when other electricity generators do not? My amendment would give financial protection for licensees. It would be a guarantee of preferred premium. There would be financial qualifications. We would have a Presidential commission on incident consequences.

Of course, the section clarifies acts of terrorism involving nuclear licensees would be covered under Price-Anderson, but this section directs the President to determine whether an attack on a nuclear powerplant is an act of terrorism or an act of war for the purposes of paying claims for public liability.

The act and regulations under Price-Anderson are really flawed. Most operators meet the current provisions through a loophole. That is to make sure they are financially sound to respond to what largess the Federal Government has given them. But even there they ''Enron'' us. The acting regulations are flawed in this regard. Most operators meet the current provisions through a loophole by providing only an annual certified financial statement, which is essentially an auditor's statement. The public deserves, especially in light of what has happened since the Enron debacle, more protection than that offered by a potentially misleading certified financial statement, particularly, as I have mentioned, after the Enron mess involving its financial auditor, Arthur Andersen.

The amendment I have submitted would ensure real financial safeguards such as a bond, a letter of credit, or a loan. Escrow funds, or even insurance, would be the only measure of a nuclear operator's ability to meet its financial obligations to the public.

Under the present legislation, I repeat, all that is needed is an annual certified financial statement showing there is a cashflow or something can be generated, not then but within 3 months. All operators who propose to build new plants to produce electricity from nuclear power, particularly in the context of deregulated wholesale electricity markets, should be expected to incorporate the cost of obtaining insurance, the economics of generating electricity, but not under Price-Anderson. Many of these companies are owned by limited liability corporations, thinly capitalized, highly leveraged, legally structured to avoid exposing their parent corporate entity to liability in the event of insolvency and, of course, in the event of accident.

This amendment establishes minimal financial qualifications to ensure operators can meet their monetary obligations to the public in the event of an accident or terrorist attack. This amendment is supported by the U.S. PIRG, the Environmental Defense Fund, Union of Concerned Scientists, Defenders of Wildlife, Sierra Club, Friends of the Earth, Nuclear Information Resources, League of Conservation Voters, Taxpayers for Common Sense, National Environmental Trust, National Resources Defense Council, Public Citizens Critical Mass, STAR, Safe Energy Communications Council, and Greenpeace.

A 1992 analysis of energy subsidies by the U.S. Department of Energy indicates a Federal regulation that continues to have a cost-reducing effect on the nuclear power industry is simply unfair. These liability limits provide a subsidy to the nuclear industry to the degree private insurance premiums paid by operators of individual plants are reduced.

In 1983—almost 20 years ago—the NRC concluded the liability limits were sufficiently significant to constitute a subsidy, and it has really been magnified during the last 19 years. However, a quantification of the amount of subsidy was not attempted at that time.

One of the questions raised is: Are acts of terrorism covered by Price-Anderson? The Nuclear Regulatory Commission indicated, in response to questions from the same hearing I have talked about earlier, on January 23, courts would likely have to settle the question. We had leading scholars present from the legal academic world, and they said it would lead to significant delay or even termination of victim compensation.

Are victims guaranteed to receive payments from reactors that file chapter XI bankruptcy? In the same hearing we had in January, the Nuclear Regulatory Commission stated that the NRC could potentially face a conflict with other claims in a bankruptcy proceeding if there were an accident sufficient to trigger these industry payments. The NRC would presumably require a licensee to pay the assessment, but the bankruptcy court could order the licensee to pay it. The NRC also indicated it would support legislation to address this concern.

In the Economist magazine, they have a very in-depth article about nuclear power generally. Among other things in this long article of May 19 of last year, they talk about when costing nuclear power, it is essential to remember the scope, scale, and subtlety of the subsidy it receives. Liability insurance is a good example of this subsidy. The American industry's official position is there is no subsidy involved in Price-Anderson. To do that, you would have to be without any common sense, let alone academic prowess.

Since there is no subsidy involved, why not let the act lapse when it comes up for renewal next year? What we were told by our Vice President is that it needs to be renewed; if not, nobody will invest in nuclear powerplants.

That answers the question.

In the end, the article continues, nuclear energy's future may be skewed by the same sword that is making it fashionable today, the deregulation of electricity markets.

Why is that? Because, Madam President, right now nuclear power is the most expensive, even with the subsidies. Yet the article continues: Liberalization is also exposing the true economics of new plants and is aiming a fierce spotlight at the hefty subsidies that nuclear power has long enjoyed. As these fade, the industry once again will be brought down to earth.

Now, this is not me speaking. This is from the Economist magazine. They say these are significant subsidies and once they are attached, nuclear power will no longer be in vogue.

The New York Times published an article entitled ''Hard Questions On Nuclear Power,'' written last year. Among other things, they say the Congress will need to take a close look at whether it should renew one of the industry's economic underpinnings, the so-called Price-Anderson Act, that limits companies' liability in the event of an accident. If the industry is safe, they may not need such subsidized protection.

A lot of this has come to light following September 11, and whether we have to be more concerned about acts of terrorism. I know the Presiding Officer, this Senator, and the junior Senator from Connecticut, Mr. LIEBERMAN, have looked closely at the safety of nuclear powerplants. He is right. They have different standards at different plants, different companies, different private contractors. If someone going through a baggage checkpoint is examined by someone who works for the Federal Government, should we not have a system whereby nuclear powerplants have Federal employees? The answer is yes. They should not have rent-a-cops determining the safety of those facilities.

Today, thinly capitalized, limited liability corporations operate nearly half of the Nation's nuclear reactors. Taxpayers, I suggest, by default, shoulder secondary insurance costs whenever it is determined insurance claims would constitute undue hardship.

It is reported the NRC did not require the company purchasing the single largest fleet of 16 reactors to provide adequate evidence of financial stability as a condition of granting a license. Some advocates of Price-Anderson argue that because the Government indemnity has never been used, we don't need to worry about it. Price-Anderson is not a subsidy, they say. However, every legal scholar has said it is. Price-Anderson allows utilities to commit less capital to insuring nuclear plants so that the act results in a reallocation of resources away from more highly valued uses, so it is indeed a subsidy. Think of its advantage over solar, geothermal, biomass, clean coal, and certainly natural gas.

Despite continuing claims concerning the safety of nuclear power, the amount of private liability insurance available has actually declined in real terms since 1957. The reason is they figured ways to get around that. The Nuclear Regulatory Commission report states it is unlikely that the amount of available liability insurance would increase much beyond the $200 million level without strong pressure from outside the insurance industry. The obvious question is, What could be expected with repeal of Price-Anderson? One could argue, as Richard Howell does, that the more likely result is that sufficient insurance will be provided to maintain the viability of the industry.

These companies make a lot of money. As every other business, they will buy insurance to cover their liability. Why should the Federal Government have to provide that? Utilities needing more liability insurance would have an incentive to accept stricter safety standards from insurance companies. An increase in the role of the insurance industry would be a welcome development by regulators and an economic incentive for safe operating methods and not relying on the Federal Government to give them a subsidy.

If Price-Anderson were allowed to expire, the determination for what sort of tort liability, strict liability, or negligence to which the plants are subject reverts to States. We have been debating in the Senate for the many years I have been here whether or not we will have a national standard for product liability. The answer is no. We let the States determine that. That is the way it should be.

AMENDMENT NO. 2984, WITHDRAWN

I will withdraw my amendment. I hope people will vote against this amendment. I know there will be people wanting to vote for this simply because the two managers of the legislation support this legislation. I have the greatest respect for my friend from New Mexico. He has been somebody I have looked up to the entire time I have been in the Senate. I will continue to look up to him even though he is wrong on this issue. He is simply wrong. Price-Anderson needs to be changed.

I hope Senators vote against this mischievous and unworthy amendment. It is not good for the country. It is not good for the country for so many reasons, not the least of which is the liability aspect of it, not the least of which the Federal Government should get out of subsidizing nuclear power. But also, if we got rid of this amendment, people living near nuclear powerplants would know there is sufficient insurance to take care of their family if something went wrong.

I ask unanimous consent to withdraw my amendment.

The PRESIDING OFFICER (Mr. CARPER). Without objection, the amendment is withdrawn.

The amendment (No. 2984) was withdrawn.

Mr. REID. I ask for the yeas and nays on the Voinovich amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There does not appear to be a sufficient second.

Mr. VOINOVICH. Mr. President, I will mention that I have the highest regard for Senator REID. Much of what he just discussed came up in the committee hearing we had. Perhaps the Presiding Officer was at the meeting.

Mr. REID. Could I ask my friend to yield for a brief second?

I will ask for the yeas and nays on the Senator's amendment. It is my understanding everyone wants to vote on it. We did not get a second from the Republicans.

I ask for the yeas and nays on the Voinovich amendment No. 2983.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. MURKOWSKI. I apologize to the majority whip and the manager of the bill. I apologize. I have not been active in the discussion this morning. But as I understand it, the Senator from Nevada offered a second degree which he intends to withdraw—or is it withdrawn? It is withdrawn, so we are on Price-Anderson. I certainly support the call for the yeas and nays.

It is my understanding the majority side will introduce the next amendment. At this time I wonder if they will indicate what that amendment might be.

Mr. BINGAMAN. Mr. President, in response to my friend from Alaska, once the debate is concluded on the Price-Anderson amendment Senator VOINOVICH has offered, it is our intent to set that aside and go to an amendment on hydraulic fracturing, which I would offer. I think Senator INHOFE and various other Senators are cosponsoring that.

Then I believe it is the whip's intent to have us stack a couple of votes on those two issues right after lunch.

Mr. REID. If the Senator will yield for a minute, we are now showing to the minority the proposal. We have two votes at 2 o'clock, with the time between now and 2 o'clock to be divided to speak on both amendments, Price-Anderson and also the hydraulic fracturing. We would have a vote on both those. We are not in a position to offer that as a unanimous consent agreement because we have to clear it with the two leaders, but that is the intention.

Mr. MURKOWSKI. Mr. President, what I am concerned about is the whip indicated 2 o'clock. Will we break for lunch or is it the intention to go right through?

I just have been alerted there are a couple of our Members who are going to want to speak on the fracturing amendment. Unless there is any extended debate, I am certainly willing to agree to a vote at 2 o'clock. Obviously, we are about through with Price-Anderson.

Mr. REID. If the Senator from Alaska will yield, I think we are just about finished on Price-Anderson. The Senator from Ohio wants to speak, and maybe the Senator from New Mexico, briefly, on it. But I think we will have quite a bit of time on fracturing.

I will propound that at a subsequent time.

Mr. MURKOWSKI. I assure the whip we want to work with him. We have a couple of more Members, I am advised, who want to speak very briefly on Price-Anderson. We are going to urge them to come here now and speak, and then we will have no objection to moving to the fracturing.

Mr. REID. If the Senator will yield, it doesn't matter if they come now or later. The agreement will be that during this next period of time they can speak on either amendment.

Mr. MURKOWSKI. Either amendment; that is certainly fair enough.

I am going to make a short statement on Price-Anderson. Since the second degree has been withdrawn, I will not belabor that other than to say I am very pleased the Senator from Nevada saw fit to withdraw it because had his amendment prevailed, clearly it would have basically amounted to the demise of the nuclear industry from the standpoint of any future facilities being built, because that is the whole justification of Price-Anderson. I will put that behind me and simply support speaking of the Price-Anderson reauthorization amendment.

I think Congress has been derelict in not resolving this issue some time ago. It is an important issue, to encourage further development of our nuclear industry.

For those who are critical of the nuclear industry, I remind you it has an extraordinary safety record, considering the hyperpublicity given to almost any irregularity associated with the operation of the plants.

The point is, to a large degree the system has worked. Any mechanical function has a certain degree of exposure. So you back it up with checks and balances. When you talk about Three Mile Island and the mistakes that were made, the reality is the system worked. If you talk about what happened in Chernobyl, you recognize human activity overrode the systems, which is just what happened when the *Exxon Valdez* went on the rocks. It was human activity—inattentive, in spite of the bells and whistles—that simply allowed this ship in a 10.5-mile-wide channel to hit a rock.

My point is I think the nuclear industry in this country deserves a fair assessment of its extraordinary record. As a consequence, I think we must recognize the significant contribution nuclear energy makes.

It is emission free. As we look at concern over global warming/emission reductions, the one area that generates tremendous potential, even further than the 20 percent of the electric power generation that comes from nuclear energy, is the nuclear industry.

The critics who would like to see this industry simply go away and not expand have to come up with an alternative, other than conservation, because conservation is simply not enough. Conservation will not pick up for the 20 percent of our energy mix that comes from nuclear energy. So we must continue to recognize the nuclear industry is going to play a greater role in the future if we want to meet our energy needs and protect our air quality.

It is interesting to look on occasion at what the Joneses do. In France, obviously, nuclear power has been accepted. It is the area of technology that has the highest recognition in the higher educational system of France. The Japanese are moving towards greater dependence on nuclear energy because of the significant advantages associated with that.

One of the problems, of course, is the nuclear waste issue. We will be getting into that at a later time. But I think it represents the frustration here in the United States with our nuclear industry, not being able to come to grips with what we do with the waste that is generated by the reactors that, of course, are subject to yearly examination when their fuel rods are removed. The question is, What is done with that high-level waste and how is it stored? It is not designed to be permanently stored necessarily in casks. We even embarked on an effort to try to find a repository. The solution appears to have been a selection in Nevada, at Yucca Mountain.

I think it should be recognized we have expended some $7 billion of taxpayers' money on this repository at Yucca Mountain in Nevada. I think we should also recognize the ratepayers have paid, for this nuclear power, into a special fund, which was supposed to fund the construction of a site, that expended approximately $11 billion. So the Federal Government entered into a contractual relationship to take that waste in 1998.

Mr. President, 1998 has come and gone and the Federal Government has not lived up to the terms of its contractual agreements. It is in violation of its contract. As a consequence, litigation associated with suits filed against the Federal Government are somewhere in the area of $40 billion. As we simply put off the decisionmaking process, what to do with this waste, clearly the liability to the taxpayer continues. So we simply have to come to grips with this issue.

I am pleased to say this administration is facing it head on with a series of steps and procedures that will eventually get us to a final decision on how and on what terms this waste is stored, so we can get on with a clear bridge, if you will, to what we are going to do with the waste. That will, to a large degree, address the expansion of nuclear energy in this country because we are not going to expand nuclear production, nuclear energy, until we resolve what to do with that waste.

It is important we get this issue behind us. But an important part of this, indeed, is Price-Anderson because that supplies, if you will, the necessary underwriting by the Federal Government of catastrophic exposure.

Solid nuclear baseload power provides our grids with stability and reliability. In California alone, nuclear

supplies about 16 percent of the energy. Without it, last summer the California energy situation would have faced a collapse. High natural gas prices and low uranium prices help to make electricity produced by nuclear some of the cheapest in the country. Perhaps someday we might reach the fabled ''too cheap to meter'' goal. I am not sure that is going to happen, but nevertheless it is a reasonable objective.

We have had, as I have indicated, safe and efficient operation of U.S. plants. They are operating at record efficiencies as they have recognized the procedural efficiencies.

The point is that they are very efficient, and as a consequence they have become very attractive investments. We have seen more concentration by utility companies picking up some of the newer and more efficient plants.

In 1999, U.S. nuclear reactors achieved close to 90 percent efficiency. The total efficiency increase during the nineties at the existing plants was the equivalent to approximately 23 1,000-megawatt powerplants. I think that is pretty significant. During the 1990s, a 10-year period of existing plants, the equivalent efficiency was 23 1,000-megawatt powerplants. I think that more or less speaks for itself relative to the advantages and attractiveness of nuclear power. Keep in mind that this is clean, it is nonemitting generation.

With that efficiency, the industry is on an upswing. Four or five years ago, you wouldn't have thought you would hear talk about buying and selling plants, or even building new plants. Today the discussion is occurring.

By the end of the 2002, the Chicago-based Exxon corporation will have invested a total of $25 million in a South African venture to build a pebble bed modular reactor.

I see my friend from New Mexico, the senior Senator, in the Chamber. He is very familiar with this particular technology, which I think provides greater attractiveness for the nuclear industry.

If we ever hope to achieve energy security and energy independence in this country, we cannot abandon the nuclear option which is an important and integral part of our energy mix. Our economy depends on nuclear energy. Our national security depends on nuclear energy. Our environment depends on nuclear energy. And our future, to a large degree, depends on nuclear energy.

Critical to the future continuation of this industry is Price-Anderson. I have been a strong advocate of reauthorization of Price-Anderson. Senator BINGAMAN and I have worked together with our staff to agree on language in the last Congress to renew the Price-Anderson Act. Both of our comprehensive energy bills introduced in the first session of this Congress contain the same language based on recommendations from the Department of Energy and the Nuclear Regulatory Commission. Renewal of the act was supported by the last administration. Renewal of the act was also one of President Bush's 105 recommendations in the national energy policy. For over 40 years, the act has ensured ample insurance for the industry, and it will provide a mechanism for the prompt payment to victims in the unlikely event of a nuclear exposure of some kind. Renewal of this act is necessary if we are to continue nuclear energy, new plants, and ensure the relicensing of our existing plants.

I don't understand really why the majority leader excluded the NRC licensees from the substitute. But this amendment is going to rectify that oversight.

I am very pleased to see the level of support on the floor of the Senate. I thank the Senator from Ohio, Mr. VOINOVICH, for his leadership in this area, and Senator DOMENICI and Senator BINGAMAN, chairman of the Energy Committee.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I am very pleased that early in the discussion of the energy bill an amendment on Price-Anderson extension is before the Senate. I am also very pleased that it has so many cosponsors and that it is very bipartisan, in particular on the issue of nuclear power and its role in America and the world's future. If we are looking for the energy of the future and if we are looking to have clean air, obviously nuclear power has to be looked at.

I am grateful that today Senator BINGAMAN, the manager of the bill and chairman of the committee, is a cosponsor of the Voinovich amendment. It also has a number of other Senators as cosponsors, all of whom from time to time have expressed great interest in nuclear energy.

I also would like to commend the manager of the bill, even though we didn't mark up all the way through the committee. Senator BINGAMAN's staff, the majority staff, are fully aware of the nuclear power issues that confront our country.

If there are Senators who wonder why there are not a series of amendments on nuclear power and its future that are going to be offered—there will be two or three—it is because this bill contains general type language that will permit nuclear power to be a player in the future. If, in fact, there are utility companies here and elsewhere in the world privately and publicly owned that want to produce nuclear power because of its efficiency and, equally important, because clean electricity is produced, and if we are worried about underdeveloped countries developing and using a lot of energy, and because America needs more energy over the next 20 or 30 years, it is good that we have not locked out the option of nuclear energy.

There are some things that could be said about nuclear power in terms of the shortage we have found ourselves in. Just the past year, we found that of all the power sources in the country, the cheapest after hydropower is, and has been for some time, nuclear power. Per unit of electricity, the cheapest power generation of any major size in America has been nuclear power.

Nuclear powerplants have gone without incident or accident for years. As a matter of fact, they have increased productive capacity in the neighborhood of from 70 to 75 percent of capacity to the low 90s for this entire period of time when we needed more energy because we were in the position as a nation of being sort of ambivalent about our energy supply. We weren't quite sure where we were going.

There are also some exciting occurrences in terms of the next generation of nuclear powerplants. Perhaps before we finish we will have time to discuss events that are occurring around the world. Even American companies are thinking about nuclear plants in terms of future supply of electricity.

The future is very bright. New technology will make nuclear power safer, if that can be. It will make it cheaper. It will permit us to locate nuclear powerplants more easily. They won't have to be the large-megawatt plants. They can be small and rather mobile plants built much more easily than in the past, and with far less permit time with the kind of work we have to do in that regard.

Already the United States is ahead of the crisis. We have begun to build back into our Department of Energy some significant nuclear activities. We have had an Energy Department during the last 25 years when the Department was acting as if it were embarrassed about nuclear power and didn't even want it to be part of the Department of Energy. It is back, and we are now spending some money every year to help generate enthusiasm among engineers and those who would join the corps of experts in physics and chemistry and the like who will work on nuclear powerplants in the future.

In producing this bill, Senator BINGAMAN took many of the things we had appropriated and made them permanent law with reference to the future of nuclear power.

I will insert in the RECORD at a later time, rather than itemize them now, the numerous areas where the bill already takes into consideration the need for us to put nuclear power on a neutral footing with other kinds of power and to see if we can't come out winners both as to energy and as to the environment.

So I want to state my very strong support for the renewal of Price-Anderson, which is going to expire later this year—I think in August. It has been extended by Congress three times since becoming law in 1957. Price-Anderson provides a framework for payment of public liability claims for any accident at a commercial nuclear powerplant. This law is vital to ensure that our taxpayers continue to receive the benefits

of nuclear energy and allows the industry to consider the construction of new plants.

The Price-Anderson amendment, as it is structured—the one that is pending—takes care of and provides coverage for future plants. Some have wanted to cover the past but not the future. I am very pleased, and am certain that those who think there is a new day for the production of energy in the United States ahead, and that it might involve nuclear power, are also strongly supportive and delighted that this amendment is the broad amendment that also covers the future, not just the past.

Many bills pending before the Senate incorporate renewal of Price-Anderson. As I indicated, I have introduced a bill, S. 472, which contained renewal provisions. I was very pleased that 18 cosponsors joined me in that bill. Earlier bills from Senator BINGAMAN and Senator MURKOWSKI had also incorporated renewal.

This renewal amendment should enjoy strong bipartisan support in the Senate. I am very pleased that it will receive strong support because that in and of itself sends a signal that was not around 10 or 15 years ago when we thought we had an abundance of energy and the supply was not a problem. There was a small cadre of those who did not like nor want us involved in nuclear power. They prevailed. It would appear that we are moving in the direction of a neutral approach and that nuclear power will have to prove itself alongside all the other energy sources as being efficient and safe and the kind of power that we would truly like to have in our country, and it would be good for the world.

In addition to coverage of commercial nuclear plants, Price-Anderson enables companies to accept the challenges that are involved in the cleanup of past nuclear weapons activities without charging the Government for insurance for coverage of very large possible, although highly unlikely, claims. It assures the availability of funds to provide prompt compensation to any member of the public who is harmed by nuclear activities. Without renewal, no new nuclear powerplants would be covered and progress on the cleanup of weapons activities could indeed be seriously jeopardized.

That will not be the case once we have reported out a bill. Hopefully, before this year ends, the Senate and the House will find a way to do that.

Since taxpayer funds are not used to pay claims resulting from a nuclear incident, there is no ''subsidy'' to industry, as some claim. Over the last 43 years of Price-Anderson protection, the insurance pools, never the Federal Government, have paid claims totaling $180 million. Price-Anderson, with its risk-pooling among all nuclear companies, provides a far greater measure of certainty to the public for any liabilities that any one company could provide.

Again, I appreciate Senator BINGAMAN's work on the basic bill, the underlying bill, as it pertains to nuclear power and various activities that will bring it into the future and line itself up along with other major energy sources not only for America but for the world.

One area involves the appropriate treatment for nonprofit contractors. We have agreed that these contractors should have some degree of liability, but we have carefully limited their liability to the fee they are receiving at the time of any penalty. Without such a limitation, nonprofits could undertake a contracting role with the Department, but they would have to charge excessive fees to the Government and, obviously, would not be awarded any kind of work.

There is a second provision for the treatment of modular reactors. When Price-Anderson was first drafted, it was assumed that all commercial reactors would be very large, maybe 1,000 megawatts or even more. But lately, there is growing interest in very small powerplants that might utilize modular construction and deliver much less power, perhaps only 100 megawatts per module.

These small plants have some very interesting features, of which the most important is the ability to make them absolutely safe against meltdown incidents. Yes, that is a reality. That is what those who are inventing and putting together these new modular constructed powerplants, with new technology, will be able to do. They will not, by their own physics, be able to have a meltdown.

I appreciate that this version of an extended Price-Anderson law provides equitable treatment for modular reactors to ensure that the act becomes viable in the future and is not a disincentive to considering new technology of the kind that is exciting many people.

The renewal of Price-Anderson is one of the key actions needed to ensure that nuclear energy continues to provide clean, safe power for our Nation.

Again, I am grateful for the leadership shown by the chairman of the committee. I am hoping that before this year is out, we will come out of conference with a Price-Anderson that is intact and that contains the language that is before the Senate today. We will have done something worthwhile.

For those who wonder if anything is happening on this energy bill that is good and healthy and salutary and futuristic, I hope they will join us in saying that we did one thing, and it became less and less controversial, that is to extend the underpinnings, in terms of liability coverage, the underpinnings of nuclear power for today and nuclear power for the future.

I yield the floor and thank the Chair for recognition.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. VOINOVICH. Mr. President, I ask unanimous consent that Senator LINCOLN be added as a cosponsor of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. VOINOVICH. I think it is significant, Mr. President, that the two Senators from New Mexico—one a Republican and one a Democrat—are both cosponsors of this amendment. I do not believe there is anyone in this country who speaks out more eloquently on behalf of nuclear power than Senator DOMENICI. This has been a cause of his for many years. I think it is important that he underscored the fact that not only does this deal with the nuclear power industry, but it also deals specifically with the cleanup of over 100 DOE facilities; that without this legislation the contractors would not be willing to go forward with the work they are now doing at those facilities. And it also provides a situation so that in the event that new reactors come on board—that is, more nuclear power facilities are built—that it would include those new facilities.

Before I conclude on this amendment, I would like to point out and clarify the fact that the $10 million this bill continues to be asked for is adequate to get the job done.

With the Presiding Officer's permission, I would like to read from the testimony of William F. Kane, who is the Deputy Executive Director for Reactor Programs because I think, in a nutshell, he can clarify to our colleagues just exactly what this is about.

In his testimony on January 23rd, he said:

> Further developments in the electric generating industry since the 1998 report to Congress have led the Commission to review its 1998 recommendations and to reevaluate its recommendation that Congress consider increasing the annual installment to $20 million. There is now a heightened interest in extending the operating life for most, if not all, of the currently operating power reactors, and some power companies are now examining whether they wish to submit applications for new reactors or complete construction of reactors that have been deferred. As a result, contrary to our former recommendations, the commission does not believe there is now justification for raising the maximum annual retrospective premium of $10 million. The level is adequate and does not need to be changed.

He went on to say:

> In summing up, I would like to leave these thoughts with you: To date, the United States Government has not paid a penny for claims against nuclear power licensees. In the event a serious accident were to occur, over $9 billion would be available to pay compensation for any personal injury or offsite property damage. The money will come from insurance policies bought by the industry and from retrospective premiums that will be paid by the industry. If these funds are inadequate, Congress will be called upon to decide what action is needed to provide assistance to those harmed. We believe the public is protected by the broad base of prompt funding. The Price-Anderson Act further aids the public by establishing important procedural reforms for claims arising from nuclear accidents. It channels liabilities to the licensee, establishes a single Federal form for all claims, eliminates the need

to prove fault, requires waivers of other significant defenses, makes prompt settlements possible, and if litigation is needed, establishes the legal management process to assure fairness and equity and distribution of damages.

That lays it out in a nutshell in terms of why it is that we need to reauthorize Price-Anderson.

It is my understanding the Senator from New Mexico will be introducing another amendment. For the Members of the Senate, those who still would like to speak on Price-Anderson will be able to continue to do that, as well as those who will be supporting Senator BINGAMAN's amendment.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, just a couple of other words about the Price-Anderson amendment: First, I thank my colleague from New Mexico for his kind words about provisions that are included in this bill. He has authored many of those provisions, particularly the ones related to nuclear power, and he has been a tireless advocate for peaceful use of nuclear power in this country for many years. We are all well aware of that.

We have included in the bill those provisions he suggested which clearly do contemplate and envision continued contributions by the nuclear power industry to our energy needs. That is certainly my purpose and, I know, the purpose of Senator VOINOVICH as well. We were talking in one of the asides about the fact that the Price-Anderson Act was originally proposed by Representative Price from Illinois, Mel Price, and also by Senator Clinton Anderson from New Mexico. It has served the country well for 45 years, as we have indicated before. We think it is important that it continue to do so.

Mr. President, I ask unanimous consent that the amendment be set aside, and it be in order for me to send another amendment to the desk for consideration.

The PRESIDING OFFICER. Is there objection?

Mr. INHOFE. Reserving the right to object, I would like to ask the Senator from New Mexico, could I have maybe 2 minutes to say something about Price-Anderson? I am anxious to get to the next amendment.

Mr. BINGAMAN. I withdraw my request, Mr. President.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. INHOFE. Mr. President, we have been talking about a complete energy policy for America. This is a bipartisan effort. I tried to get the Reagan administration to do it, then the Bush administration, the Clinton administration. None of them had done it. Now we have an opportunity to do it. An essential part of that is going to be nuclear energy. Maybe it has been said before, but I only want to put into the RECORD that after going through this long arduous thing on ambient air and the problems of other forms of energy, each year the U.S. nuclear powerplants prevent 5.1 million tons of sulphur dioxide, 2.4 million tons of nitrogen oxide, and 164 million metric tons of carbon from entering the earth's surface.

Consequently, there are many people who were out protesting against nuclear energy just 20 years ago who now realize this is an abundant and safe and cheap form of energy.

It is necessary in order to do that to have the Price-Anderson Act reauthorized.

I yield the floor

AMENDMENT NO. 2986 TO AMENDMENT NO. 2917

Mr. BINGAMAN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, the pending amendment is set aside. The clerk will report.

The bill clerk read as follows:

The Senator from New Mexico [Mr. BINGAMAN], for himself, Mr. BAUCUS, Mr. BOND, Mr. BREAUX, Mr. CAMPBELL, Mr. CONRAD, Mr. DORGAN, Mr. INHOFE, Ms. LANDRIEU, Mrs. LINCOLN, and Mr. THOMAS, proposes an amendment numbered 2986 to amendment No. 2917.

Mr. BINGAMAN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To study whether there is a need to regulate hydraulic fracturing))

At the end of title VI, add the following new section:

"SEC. 610. HYDRAULIC FRACTURING.

''Section 1421 of the Safe Drinking Water Act (42 U.S.C. Sec. 300h) is amended by adding at the end the following:

''(e) HYDRAULIC FRACTURING FOR OIL AND GAS PRODUCTION.—

(1) STUDY OF THE EFFECTS OF HYDRAULIC FRACTURING.—

''(A) IN GENERAL.—As soon as practicable, but in no event later than 24 months after the date of enactment of this subsection, the Administrator shall complete a study of the known and potential effects on underground drinking water sources of hydraulic fracturing, including the effects of hydraulic fracturing on underground drinking water sources on a nationwide basis, and within specific regions, States, or portions of States.

''(B) CONSULTATION.—In planning and conducting the study, the Administrator shall consult with the Secretary of the Interior, the Secretary of Energy, the Ground Water Protection Council, affected States, and, as appropriate, representatives of environmental, industry, academic, scientific, public health, and other relevant organizations. Such study may be accomplished in conjunction with other ongoing studies related to the effects of oil and gas production on groundwater resources.

''(C) STUDY ELEMENTS.—The study conducted under subparagraph (A) shall, at a minimum, examine and make findings as to whether—

''(i) such hydraulic fracturing has endangered or will endanger (as defined under subsection (d)(2)) underground drinking water sources, including those sources within specific regions, states or portions of States;

''(ii) there are specific methods, practices, or hydrogeologic circumstances in which hydraulic fracturing has endangered or will endanger underground drinking water sources; and

''(iii) there are any precautionary actions that may reduce or eliminate any such endangerment.

''(D) STUDY OF HYDRAULIC FRACTURING IN A PARTICULAR TYPE OF GEOLOGIC FORMATION.—The Administrator may also complete a separate study on the known and potential effects on underground drinking water sources of hydraulic fracturing in a particular type of geologic formation.

''(i) If such a study is undertaken, the Administrator shall follow the procedures for study preparation and independent scientific review set forth in subparagraphs (1)(B) and (C) and (2) of this subsection. The Administrator may complete this separate study prior to the completion of the broader study of hydraulic fracturing required pursuant to subparagraph (A) of this subsection.

''(ii) At the conclusion of independent scientific review for any separate study, the Administrator shall determine, pursuant to paragraph (3), whether regulation of hydraulic fracturing in the particular type of geologic formation addressed in the separate study is necessary under this part to ensure that underground sources of drinking water will not be endangered on a nationwide basis, or within a specific region, State or portions of a state. Subparagraph (4) of this subsection shall apply to any such determination by the Administrator.

''(iii) If the Administrator completes a separate study, the Administrator may use the information gathered in the course of such a study in undertaking her broad study to the extent appropriate. The broader study need not include a reexamination of the conclusions reached by the Administrator in any separate study.

''(2) INDEPENDENT SCIENTIFIC REVIEW.—

''(A) IN GENERAL.—Prior to the time the study under paragraph (1) is completed, the Administrator shall enter into an appropriate agreement with the National Academy of Sciences to have the Academy review the conclusions of the study.

''(B) REPORT.—Not later than 11 months after entering into an appropriate agreement with the Administrator, the National Academy of Sciences shall report to the Administrator, the Committee on Energy and Commerce of the House of Representatives, and the Committee on Environment and Public Works of the Senate, on the—

''(i) findings related to the study conducted by the Administrator under paragraph (1);

''(ii) the scientific and technical basis for such findings; and

''(iii) recommendations, if any, for modifying the findings of the study.

''(3) REGULATORY DETERMINATION.—

''(A) IN GENERAL.—Not later than 6 months after receiving the National Academy of Sciences report under paragraph (2), the Administrator shall determine, after informal public hearings and public notice and opportunity for comment, and based on information developed or accumulated in connection with the study required under paragraph (1) and the National Academy of Sciences report under paragraph (2), either:

''(i) that regulation of hydraulic fracturing under this part is necessary to ensure that underground sources of drinking water will not be endangered on a nationwide basis, or within a specific region, State or portions of a State; or

''(ii) that regulation described under clause (i) is unnecessary.

''(B) PUBLICATION OF DETERMINATION.—The Administrator shall publish the determination in the Federal Register, accompanied by an explanation and the reasons for it.

''(4) PROMULGATION OF REGULATIONS.—

''(A) REGULATION NECESSARY.—If the Administrator determines under paragraph (3) that regulation by hydraulic fracturing

under this part is necessary to ensure that hydraulic fracturing does not endanger underground drinking water sources on a nationwide basis, or within a specific region, State or portions of a State, the Administrator shall, within 6 months after the issuance of that determination, and after public notice and opportunity for comment, promulgate regulations under section 1421 (42 U.S.C. 300h) to ensure that hydraulic fracturing will not endanger such underground sources of drinking water. However, for purposes of the Administrator's approval or disapproval under section 1422 of any State underground injection control program for regulating hydraulic fracturing, a State at any time may make the alternative demonstration provided for in section 1425 of this title.

''(B) REGULATION UNNECESSARY.—The Administrator shall not regulate or require States to regulate hydraulic fracturing under this part unless the Administrator determines under paragraph (3) that such regulation is necessary. This provision shall not apply to any State which has a program for the regulation of hydraulic fracturing that was approved by the Administrator under this part prior to the effective date of this subsection.

''(C) EXISTING REGULATIONS.—A determination by the Administrator under paragraph (3) that regulation is unnecessary will relieve all States (including those with existing approved programs for the regulation of hydraulic fracturing) from any further obligation to regulate hydraulic fracturing as an underground injection under this part.

''(5) DEFINITION OF HYDRAULIC FRACTURING.—For purposes of this subsection, the term 'hydraulic fracturing' means the process of creating a fracture in a reservoir rock, and injecting fluids and propping agents, for the purposes of reservoir stimulation related to oil and gas production activities.

''(6) SAVINGS.—Nothing in this subsection shall in any way limit the authorities of the Administrator under section 1431 (42 U.S.C. 300i).''.

Mr. BINGAMAN. Mr. President, this is a bipartisan amendment offered by myself, Senator INHOFE from Oklahoma, and by various other of our colleagues—Senators BAUCUS, BOND, BREAUX, CAMPBELL, CONRAD, DORGAN, LANDRIEU, LINCOLN, and THOMAS. I thank my colleagues.

The proposed amendment concerns hydraulic fracturing. That is a valuable tool in reducing our dependence on foreign energy supplies. It is one that the oil and gas industry uses on a very regular basis. It is necessary if we are to develop the majority of our onshore natural gas wells. Hydraulically fractured wells produce about 10 trillion cubic feet of natural gas annually. Through injecting fluids under high pressure, hydraulic fracturing creates pathways for gas to flow to the well.

The amendment I have sent to the desk and have offered sets up a study process to determine whether high fracturing should be regulated by the Federal Government under the Safe Drinking Water Act. Let me give the context for this proposed amendment.

States already have the authority to regulate hydraulic fracturing. They do that through measures such as requiring casing or lining of oil and gas wells where those wells cross through aquifers. The State regulatory programs have been effective to date. And although there have been over a million hydraulic fracturing jobs conducted in the last 5 years, there have been zero confirmed instances of hydraulic fracturing contaminating drinking water. There is not one time that contamination has been established.

Where no one has been able to confirm any harm from hydraulic fracturing, it is sensible to study whether there is a real problem before we rush forward to impose additional Federal regulation. That is precisely what the amendment I have sent to the desk would do.

The Environmental Protection Agency must first study whether hydraulic fracturing has any effects on underground sources of drinking water. After that, the National Academy of Sciences, as an independent scientific body, would review EPA's study. Then based upon all the evidence, EPA must determine whether in addition to State regulation, Federal regulation of hydraulic fracturing under the Safe Drinking Water Act is necessary to protect underground sources of drinking water.

While the study is being prepared, States would fully retain their own existing programs and EPA would fully retain its emergency powers to prevent any contamination of drinking water that would immediately threaten public health.

The proposed amendment's reliance on existing State programs while a study is prepared has received extensive bipartisan support. It has received that support both in the Senate but also in the executive branch. During both the previous administration, the Clinton administration, and the current administration, the EPA has maintained that Federal regulation of hydraulic fracturing is not required.

In fact, the previous administration's EPA argued in Federal court—I quote from one of their briefs:

> Alabama is appropriately regulating production of methane via hydraulic fracturing. There is no need for EPA to supplant these efforts.

The previous administration's EPA also cited the absence of any evidence that hydraulic fracturing has harmed drinking water and Alabama's close regulation of hydraulic fracturing in denying a 1994 petition to impose Federal regulations on Alabama.

Mr. President, let me at this point submit for the record a letter from Carol Browner, then the head of the EPA, sent to David Ludder, general counsel for the Legal Environmental Assistance Foundation. This is a 1995 letter in which she says:

> EPA does not regulate—and does not believe it is legally required to regulate—the hydraulic fracturing of methane gas production wells under its UIC program.

Continuing the quotation:

> There is no evidence that the hydraulic fracturing at issue has resulted in any contamination or endangerment of underground sources of drinking water.

I ask unanimous consent that that letter be printed in the RECORD at the end of my statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See Exhibit 1.)

Mr. BINGAMAN. Mr. President, a cautionary word. We will need to use hydraulic fracturing of gas wells over the next decade. An unneeded regulation of hydraulic fracturing could make some of these wells uneconomical to produce and could defeat our important efforts to increase our energy independence—particularly as it relates to natural gas.

My proposed amendment would sensibly allow hydraulic fracturing to assist efforts to increase our energy independence, while studying whether there is any known environmental harm that would require Federal regulation. For this reason, I urge my colleagues to vote for this amendment.

I yield the floor.

EXHIBIT 1

EPA,
Washington, DC, May 5, 1995.

DAVID A. LUDDER, Esq.,
General Counsel, Legal Environmental Assistance Foundation, Inc., Tallahassee, FL.

DEAR MR. LUDDER: The Environmental Protection Agency (EPA) has received and carefully reviewed your May 3, 1994, Petition for Promulgation of a Rule Withdrawing Approval of Alabama's Underground Injection Control (UIC) Program. Based on that review, I have determined that Alabama's implementation of its UIC Program is consistent with the requirements of the Safe Drinking Water Act (42 U.S.C. §300h, et seq.) and EPA's UIC regulations (40 C.F.R. Part 145). EPA does not regulate—and does not believe it is legally required to regulate—the hydraulic fracturing of methane gas production wells under its UIC Program.

There is no evidence that the hydraulic fracturing at issue has resulted in any contamination or endangerment of underground sources of drinking water (USDW). Repeated testing, conducted between May of 1989 and March of 1993, of the drinking water well which was the subject of this petition failed to show any chemicals that would indicate the presence of fracturing fluids. The well was also sampled for drinking water quality and no constituents exceeding drinking water standards were detected. Moreover, given the horizontal and vertical distance between the drinking water well and the closest methane gas production wells, the possibility of contamination or endangerment of USDWs in the area is extremely remote. Hydraulic fracturing is closely regulated by the Alabama State Oil and Gas Board, which requires that operators obtain authorization prior to all fracturing activities.

Accordingly, I have decided to deny your petition. Enclosed you will find a detailed response to each contention in your petition, which further explains the basis for this denial.

Sincerely,

CAROL M. BROWNER.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. INHOFE. Mr. President, first of all, I ask that Senator TIM HUTCHINSON and Senator VOINOVICH be added as cosponsors of this amendment and the Price-Anderson amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. INHOFE. Mr. President, first of all, I thank my colleague from New Mexico. I am happy to join him in proposing this amendment. I think it is very important for a number of reasons. I just came from the Senate Armed Services Committee, where we had all four of the chiefs of the services. We were talking about this war that we are prosecuting right now. We were talking about the Nation's security.

I can remember all the way back in the 1980s, when then-Secretary of the Interior Don Hodel and I went around the country and talked about the fact that an energy policy is something that is important to our Nation's security. It is a national security issue, not an energy issue. Consequently—and I said this a minute ago—this has not been a partisan thing. We tried to get President Reagan to come up with an energy policy. He would not do it. I thought George ''the first,'' coming from the oil fields, would have one, but he didn't do it either. The last administration didn't do it.

A national energy policy is really necessary for national security reasons. Right now, we are dependent upon foreign countries for 57 percent of our energy supply—something that is not acceptable, particularly right now in a time of war.

Where does this issue of hydraulic fracturing come in? I am from Oklahoma, and I understand we have a tremendous reserve down there in terms of marginal production. I started many years ago—probably before many fellow Members were born—in the oil fields in cable tool rigs—something they used before rotaries—the pounding method. I realized at that time how much this meant to the country and how much our shallow production meant.

When we talk about energy policy, we talk about nuclear, as we did in the last amendment, and we talk about ANWR—and it is necessary to get into some of the deep stuff.

In terms of marginal production—wells that have 15 barrels a day, or less, and a comparable amount for gas wells—this has a tremendous prospect to be an important ingredient in a national energy policy. If we had all of the gas wells that have been plugged in the last 10 years, or oil wells that have been plugged, producing today—marginal wells, producing 15 barrels or less—it would equal more than what we are currently importing from Saudi Arabia. So it is necessary to have these wells.

How does hydraulic fracturing fit into this equation? This system has been used—I remember using it myself—since the 1940s. In the 1940s, we had a system of injection in order to get maximum production in both oil and gas wells. Not one time in that period of time—after over a million wells have used this process—has there been any kind of damage to the environment. In the last 15 years, there have been over 100,000 wells using this, with no damage to the environment.

As the Senator from New Mexico points out, this is not a partisan thing. The Clinton administration supported this, the Bush administration supports this, and Carol Browner supported this when I served as chairman of one of the subcommittees of the Environment and Public Works Committee. This is necessary to have, and it does no harm to the environment.

I am honored to join my colleague, Senator BINGAMAN, in supporting this amendment and in saying this is a necessary part of the national energy policy.

I ask unanimous consent that a letter from Carl Smith Assistant Secretary, Office of Fossil Energy, of the Department of Energy be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF ENERGY,
Washington, DC, March 7, 2002.

Hon. JEFF BINGAMAN,
Chairman, Committee on Energy and Natural Resources, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: As the Senate considers legislation to address our growing dependence on imported oil and to consider ways to promote the production on of our domestic energy resources, I am concerned that the impact of possible restrictions on the use of hydraulic fracturing, the most commonly used technique to stimulate domestic oil and gas wells, may not be well known or fully understood. Therefore, I thought it would be useful to provide you with some information on the essential role this technology plays in today's oil and gas industry.

Hydraulic fracturing is used on approximately two thirds of the onshore gas wells drilled in the United States today and since its inception in 1947, it has enabled the production of over eight billion barrels of North American oil reserves that otherwise would have been unrecovered. It is estimated that hydraulically fractured gas wells produce 10 Tcf of natural gas annually, or nearly sixty percent of the gas produced from domestic gas wells. Further, production of one of our fastest growing sources of onshore natural gas supplies, coalbed methane, would be seriously diminished if hydraulic fracturing was unavailable. Approximately seventy-five percent of the 1.5 Tcf of coal bed methane produced annually comes from wells that were hydraulically fractured.

I would also point out that hydraulic fracturing offers several environmental benefits. By increasing the production of oil and gas from reservoirs that have lower flow rates, hydraulic fracturing reduces the number of wells needed to deplete the reservoir, thereby protecting the environment by minimizing the waste volumes and surface disturbance associated with oil and gas drilling. Also, by increasing the amount of methane recovered from mineable coal seams prior to the start of mining activities, hydraulic fracturing promotes coal mine safety and lowers the amount of methane gas that escapes during mining operations, a significant source of greenhouse gas emissions.

On August 24, 2000, while still Secretary of Energy for the State of Oklahoma, I had the opportunity to raise these points at a workshop held here in Washington by the Environmental Protection Agency (EPA). Also speaking at that workshop was Tom Stewart, Executive Vice President of the Ohio Oil and Gas Association. I managed to find a copy of his remarks on the internet and I thought you might be interested in them. They mirrored many of the comments I heard from my colleagues during the workshop. Tom noted that, ''With very limited exceptions, hydraulic fracturing was used to complete over 55,000 Ohio wells drilled since 1970. Exploitation of the tight Clinton sand would not have been possible without fracturing. The hydraulic fracturing process made the modern Ohio oil and gas industry.''

In September 2001, the Department of Energy's concern with the impact of proposed restriction on the use of hydraulic fracturing, led the Office of Fossil Energy to ask the National Energy Technology Laboratory's Strategic Center for Natural Gas to conduct a study on, ''Quantifying the Impact of Hydraulic Fracturing in Meeting U.S. Natural Gas Supply Requirements''. The number and types of stimulation treatments (hydraulic fracturing) will be quantified, treatment costs will be identified, and natural gas production and price relationships will be reviewed and projected. Results of this study will be available in May of this year but I anticipate that some useful information regarding the important role of hydraulic fracturing will be available over the next few weeks. I will provide this information to you as it becomes available.

I welcome the opportunity to bring this very important matter to your attention. If you need more information or have any questions please contact Peter Lagiovane of my office. He can be reached at, 202–586–8116 or via email at, *peter.lagiovane@hq.doe.gov*.

Sincerely,

CARL MICHAEL SMITH,
Office of Fossil Energy.

Mr. INHOFE. I yield the floor.

Mr. JEFFORDS. Mr. President, I wish to express my opposition and deep concern to the amendment being offered from my good friend from New Mexico, Senator BINGAMAN.

This amendment would prohibit the Environmental Protection Agency from regulating hydraulic fracturing, an oil and gas operation which the U.S. Court of Appeals for the 11th Circuit has held should be regulated under the Safe Drinking Water Act. As chairman of the Committee on Environment and Public Works, which has jurisdiction over the Safe Drinking Water Act, I am very disappointed that this matter is being added to the Energy bill without my committee having held hearings on the matter. Hydraulic fracturing is a method for stimulating recovery of natural gas and coalbed methane by fracturing rock formations through the injection of highly pressurized water treated with various additives. There is substantial question as to the nature of these additives—which are not closely regulated under most state and Federal laws—and whether they have the potential to migrate to public sources of drinking water when hydraulic fracturing occurs.

The amendment would in essence overturn the finding by the Court of Appeals that hydraulic fracturing must be regulated under the Safe Drinking Water Act. The amendment would require EPA to conduct a study to determine whether hydraulic fracturing would contaminate groundwater. Only after completing the study would EPA

be free to regulate the activity and protect drinking water wells, unless during the interim the EPA found emergency circumstances. I do not believe the record provides ample support for a conclusion that little harm will occur during the course of this study, and the EPA should not be barred from regulating hydraulic fracturing until the study is completed. Further, I do not believe the EPA should be the sole determiner of whether these activities should ultimately be regulaed. That issue is properly within the realm of Congress to decide. Such a decision should be made after the benefit of full congressional review. That has not occurred here.

This is not a question of blocking oil and gas development. Oil and gas development has been proceeding briskly within the State of Alabama since the EPA instituted new regulations under the Safe Drinking Water Act for hydraulic fracturing operations, pursuant to the order of the court. Nobody has gone out of business. The industry simply objects to additional costs they are incurring, costs which appear to be relatively minor, and which are directed solely to helping protect the adequacy of the public's drinking water supplies. This matter is squarely within the jurisdiction of the Committee on Environment and Public Works, and as chairman, I must object to inclusion of this amendment within the energy bill, without the matter being properly examined and dealt with within the committee.

For the above reasons, I oppose the amendment.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. REID. Mr. President, I ask unanimous consent that the time until 2 p.m. today be for debate with respect to the following amendments: the pending Voinovich amendment No. 2983, and a Bingaman or designee amendment regarding hydraulic fracturing to be offered; with the time to be equally divided and controlled with respect to these amendments; that there be no second-degree amendments in order prior to a vote in relation to these amendments; that the votes with respect to these amendments occur in the order offered; and that if an amendment is not disposed of, the Senate continue the vote sequence which was not disposed of previously.

Before asking that the request be agreed to, I yield to my friend from New Mexico for sending a modification to the desk.

AMENDMENT NO. 2986, AS MODIFIED

Mr. BINGAMAN. Mr. President, I send a modification to the desk.

The PRESIDING OFFICER. The Senator has a right to modify his amendment. The amendment is so modified.

The amendment (No. 2986), as modified, is as follows:

At the end of title VI, add the following new section:

"SEC. 610. HYDRAULIC FRACTURING.

''Section 1421 of the Safe Drinking Water Act (42 U.S.C. Sec. 300h) is amended by adding at the end the following:

''(e) HYDRAULIC FRACTURING FOR OIL AND GAS PRODUCTION.—

''(1) STUDY OF THE EFFECTS OF HYDRAULIC FRACTURING.—

''(A) IN GENERAL.—As soon as practicable, but in no event later than 24 months after the date of enactment of this subsection, the Administrator shall complete a study of the known and potential effects on underground drinking water sources of hydraulic fracturing, including the effects of hydraulic fracturing on underground drinking water sources on a nationwide basis, and within specific regions, States, or portions of States.

''(B) CONSULTATION.—In planning and conducting the study, the Administrator shall consult with the Secretary of the Interior, the Secretary of Energy, the Ground Water Protection Council, affected States, and, as appropriate, representatives of environmental, industry, academic, scientific, public health, and other relevant organizations. Such study may be accomplished in conjunction with other ongoing studies related to the effects of oil and gas production on groundwater resources.

''(C) STUDY ELEMENTS.—The study conducted under subparagraph (A) shall, at a minimum, examine and make findings as to whether—

''(i) such hydraulic fracturing has endangered or will endanger (as defined under subsection (d)(2)) underground drinking water sources, including those sources within specific regions, states or portions of States;

''(ii) there are specific methods, practices, or hydrogeologic circumstances in which hydraulic fracturing has endangered or will endanger underground drinking water sources; and

''(iii) there are any precautionary actions that may reduce or eliminate any such endangerment.

''(D) STUDY OF HYDRAULIC FRACTURING IN A PARTICULAR TYPE OF GEOLOGIC FORMATION.—The Administrator may also complete a separate study on the known and potential effects on underground drinking water sources of hydraulic fracturing in a particular type of geologic formation.

''(i) If such a study is undertaken, the Administrator shall follow the procedures for study preparation and independent scientific review set forth in subparagraphs (1)(B) and (C) and (2) of this subsection. The Administrator may complete this separate study prior to the completion of the broader study of hydraulic fracturing required pursuant to subparagraph (A) of this subsection.

''(ii) At the conclusion of independent scientific review for any separate study, the Administrator shall determine, pursuant to paragraph (3), whether regulation of hydraulic fracturing in the particular type of geologic formation addressed in the separate study is necessary under this part to ensure that underground sources of drinking water will not be endangered on a nationwide basis, or within a specific region, State or portions of a state. Subparagraph (4) of this subsection shall apply to any such determination by the Administrator.

''(iii) If the Administrator completes a separate study, the Administrator may use the information gathered in the course of such a study in undertaking her broad study to the extent appropriate. The broader study need not include a reexamination of the conclusions reached by the Administrator in any separate study.

''(2) INDEPENDENT SCIENTIFIC REVIEW.—

''(A) IN GENERAL.—Prior to the time the study under paragraph (1) is completed, the Administrator shall enter into an appropriate agreement with the National Academy of Sciences to have the Academy review the conclusions of the study.

''(B) REPORT.—Not later than 11 months after entering into an appropriate agreement with the Administrator, the National Academy of Sciences shall report to the Administrator, the Committee on Energy and Commerce of the House of Representatives, and the Committee on Environment and Public Works of the Senate, on the—

''(i) findings related to the study conducted by the Administrator under paragraph (1);

''(ii) the scientific and technical basis for such findings; and

''(iii) recommendations, if any, for modifying the findings of the study.

''(3) REGULATORY DETERMINATION.—

''(A) IN GENERAL.—Not later than 6 months after receiving the National Academy of Sciences report under paragraph (2), the Administrator shall determine, after informal public hearings and public notice and opportunity for comment, and based on information developed or accumulated in connection with the study required under paragraph (1) and the National Academy of Sciences report under paragraph (2), either:

''(i) that regulation of hydraulic fracturing under this part is necessary to ensure that underground sources of drinking water will not be endangered on a nationwide basis, or within a specific region, State or portions of a State; or

''(ii) that regulation described under clause (i) is unnecessary.

''(B) PUBLICATION OF DETERMINATION.—The Administrator shall publish the determination in the Federal Register, accompanied by an explanation and the reasons for it.

''(4) PROMULGATION OF REGULATIONS.—

''(A) REGULATION NECESSARY.—If the Administrator determines under paragraph (3) that regulation by hydraulic fracturing under this part is necessary to ensure that hydraulic fracturing does not endanger underground drinking water sources on a nationwide basis, or within a specific region, State or portions of a State, the Administrator shall, within 6 months after the issuance of that determination, and after public notice and opportunity for comment, promulgate regulations under section 1421 (42 U.S.C. 300h) to ensure that hydraulic fracturing will not endanger such underground sources of drinking water. However, for purposes of the Administrator's approval or disapproval under section 1422 of any State underground injection control program for regulating hydraulic fracturing, a State at any time may make the alternative demonstration provided for in section 1425 of this title.

''(B) REGULATION UNNECESSARY.—The Administrator shall not regulate or require States to regulate hydraulic fracturing under this part unless the Administrator determines under paragraph (3) that such regulation is necessary. This provision shall not apply to any State which has a program for the regulation of hydraulic fracturing that was approved by the Administrator under this part prior to the effective date of this subsection.

''(C) EXISTING REGULATIONS.—A determination by the Administrator under paragraph (3) that regulation is unnecessary will relieve all States (including those with existing approved programs for the regulation of hydraulic fracturing) from any further obligation to regulate hydraulic fracturing as an underground injection under this part.

''(5) DEFINITION OF HYDRAULIC FRACTURING.—For purposes of this subsection, the term 'hydraulic fracturing' means the process of creating a fracture in a reservoir rock, and injecting fluids and propping agents, for the purposes of reservoir stimulation related to oil and gas production activities.

''(6) SAVINGS.—Nothing in this subsection shall in any way limit the authorities of the Administrator under section 1431 (42 U.S.C. 300i).

''SEC. 611. AUTHORIZATION OF APPROPRIATIONS.

''There are authorized to be appropriated to the Administrator of the Environmental Protection Agency $100,000 for fiscal year 2003, to remain available until expended, for a grant to the State of Alabama to assist in the implementation of its regulatory program under section 1425 of the Safe Drinking Water Act.''.

The PRESIDING OFFICER. Is there objection to the unanimous consent request?

Without objection, it is so ordered.

Mr. REID. Mr. President, for Members, we have until 2 p.m. today to debate these two amendments. We have been told other people want to speak on Price-Anderson, and certainly others want to talk about hydraulic fracturing. We also have some people who have indicated to me and others that they wish to do so. This would be an appropriate time to do that.

The PRESIDING OFFICER. Who yields time?

Mr. INHOFE. I yield the Senator from Alabama 5 minutes.

The PRESIDING OFFICER. The Senator from Alabama is recognized.

Mr. SESSIONS. Mr. President, I thank the Chair and I thank Senator INHOFE for giving me this time. I particularly thank Senator INHOFE and Senator BINGAMAN for their leadership in moving forward on the hydraulic fracturing issue.

The purpose of this bill is to help us produce more energy, and cleaner energy, to meet our energy needs more at home from our domestic sources, but also to do it in a cleaner way. There are a lot of things we can do to make that happen.

One significant and important event is to deal with the hydraulic fracturing issue. I believe we can make some progress. This is a process that is used for the production of coalbed methane. They use high-pressure water, carbon dioxide and sand to create microscopic fractures in coal seams, and that releases the methane that is in that coal seam. That is the basic process.

Of course, carbon dioxide is readily available in the atmosphere. It is not a pollutant, the sand is not a pollutant, and water is not a pollutant. They have never believed that this process in any way was a polluting enterprise.

Most States in which hydraulic fracturing is used—including my State of Alabama—have implemented regulations to ensure that hydraulic fracturing continues to be used in a safe manner. The technique has been used safely by coalbed methane oil and gas producers for over 15 years, and there has never been a single event of contamination to underground drinking sources.

The history of this issue is kind of simple. Currently, EPA has directed the state of Alabama to regulate hydraulic fracturing under the Safe Drinking Water Act. Neither EPA nor Congress ever intended to be regulating this procedure. However, in 1995 a lawsuit was filed against EPA.

This was Carol Browner's EPA, which was very aggressive in regulating anything that needed to be regulated. They claimed that the hydraulic fracturing in Alabama should be regulated under not an obscure but a significant rule called the Underground Injection Control Program that was established by the Safe Drinking Water Act.

The Underground Injection Control Program was designed to regulate the disposal of hazardous waste underground, but fluids and sand used in hydraulic fracturing certainly are not hazardous waste.

The lawsuit was filed and the EPA defended it. They said we should not be regulating this. They defended it in court: It did not fit within the purposes of the UIC Program, and that the State of Alabama already sufficiently regulated the process, and the procedure itself posed little risk to underground drinking water sources or to the environment.

In 1997, the Eleventh Circuit Court of Appeals, in analyzing the statute written by Congress, found that the language in the statute, whether Congress intended to cover it or not, reading the plain wording, covered injection of carbon dioxide and sand in the ground and it is covered by the Safe Drinking Water Act. We have been trying to do something about this situation for quite some time. It has been a burdensome process.

Congress has come up with a number of ideas. The EPA pretty well indicated at the beginning they supported fixing this problem, and we have moved forward on it. I believe this compromise which Senator BINGAMAN and Senator INHOFE have talked about—a thorough scientific review—will show that there is no environmental degradation whatsoever. Once that is done, we can fix this process and get it back into the normal scheme of things.

This is a big impact on my State. We are the second-largest producer of coalbed methane in the country. It is a process that started in Alabama. The technology was developed in Alabama. I guess that is why they picked on our State to file the lawsuit. As a result, this has had a significant adverse impact on the State of Alabama.

We have had 300 new hydraulic fracturing proposals submitted since the lawsuit.

The PRESIDING OFFICER (Mr. CLELAND). The Senator's time has expired.

Mr. SESSIONS. I ask I be allowed 2 additional minutes.

Mr. BINGAMAN. Mr. President, I yield another 5 minutes to the Senator.

Mr. SESSIONS. Mr. President, I thank the Senator. That is very generous.

It has fallen particularly hard on the Alabama Department of Environmental Management whose budget is strapped at this time. Their financial problems have made a lot of news, frankly. Since this is a matter of national importance, I believe it is appropriate that Alabama, which is the State most adversely impacted at this time within the Eleventh Circuit where the court ruling applies, be given some compensation toward the cost of administering and reviewing these 300-plus proposals.

I am pleased we were able to work out an agreement that $100,000 will be authorized for that purpose. I am pleased Senator BINGAMAN and Senator INHOFE, as I understand it, have agreed that if this continues to be a problem or if there is sound evidence that additional moneys are required to do this—more than the $100,000 that will be approved—they will consider that in conference as we move forward with the bill.

Methane is one of the cleanest of all burning fuels. Methane produces good energy and, at the same time, it is very clean energy. The fact that we can draw the cleanest of all burning fuels from land within the United States is a good thing that we should be promoting. This is the kind of energy production that should be promoted in the country. I am glad we are moving forward finally to get this settled so we can enhance the production of coalbed methane throughout the country. It will be a good step forward.

In conclusion, this is a new source. Every Btu of energy we take from gas, or from gasoline and oil, that we purchase from outside our country is a drain on the wealth of this country. It generates economic activity in the country from which we purchase it. It does not generate economic activity in the United States. It is a net transfer of American wealth. That is why I believe this is not just an oil industry issue, this is not a big business issue, this is not simply an environmental or non-environmental issue. I believe we need to increase energy production in America because it is a matter of economic importance. It generates jobs and wealth in our country, not in Venezuela and the kind of government they have there, or Saudi Arabia, or Iraq. It creates wealth in the United States. It keeps our dollars here. It generates jobs here.

To me, there is no more worthwhile energy production than one of the cleanest of all: Coalbed methane. I am pleased we are moving forward, even though it is going to take a little longer than I would like, to get this regulatory matter settled and to enhance this production. It will be good for America.

I thank the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. INHOFE. Mr. President, I thank the Senator from Alabama. We have been working on this for a long time. For 4 years, we have actually had an amendment that would accomplish this. The approach we are taking now is the right approach because it is letting scientists decide, not people who come to this Chamber and say hysterically there is going to be harm done to the environment. We can look at history, and, as we have said several

times before, of the over 1 million of these processes that have taken place, there is not one bit of evidence of a problem to the environment.

I have a letter from the Ground Water Protection Council. It is a group of EPAs throughout America. They strongly endorse this amendment.

I ask unanimous consent that this letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

GWPC,
Oklahoma City, OK, March 7, 2002.

U.S. Senate,
Washington, DC.

DEAR SENATOR: The Ground Water Protection Council (GWPC) strongly encourages you to support the Bingaman-Inhofe Hydraulic Fracturing Amendment.

The GWPC is a national association of state agencies who regulate the nation's ground water and underground injection control programs. Our members and Board of Directors are professional geologists, hydrologist, geo-chemists and petroleum engineers.

As the state agencies charged with protecting the nation's ground water supplies and regulating the oil and gas industry, we are very concerned that failure to pass the amendment would result in an additional and unnecessary regulatory burden on both states and the industries they regulate, with no environmental benefit.

We are aware of a March 6, 2002 letter to you opposing the Bingaman-Inhofe Hydraulic Fracturing Amendment and have the following comments:

In no state is the oil and gas industry exempt from the requirements of the Safe Drinking Water Act. A number of activities conducted as part of oil and gas exploration and production are regulated under the UIC program, including injection of produced water and some related wastes. Hydraulic fracturing is fundamentally different because it is part of the well completion process, does not ''dispose of fluids'' and is of short duration, with most of the fluids being immediately removed.

Fracturing fluids do not contain MTBE. Fracturing fluids may contain small amounts of other hazardous chemicals but constituents such as benzene do not appear in fluids that would be used in fracturing shallow formations. Such fluids are used in deeper formations that are usually thousands of feet below the strata that drinking water wells actually tap into.

Any ''regulatory rollback'' would occur only after careful EPA study and only if EPA determined, based on the study and the peer review by NAS, that federal regulation of hydraulic fracturing is not necessary.

The letter ignores the fact that states already regulate underground injection and hydraulic fracturing. In fact, the ''exclusive deal'' for the oil industry that is alleged in the letter was in actually a recognition by Congress in 1980 that states were already effectively regulating oil and gas exploration and production activities and had done so for years. Congress further recognized that it did not make sense to change these effective state programs by making the states comply with redundant federal regulations.

The letter alleges that hydraulic fracturing threatens underground sources of drinking water. The letter does not allege that hydraulic fracturing has actually resulted in adverse impacts to USDWs because no such impacts have ever been confirmed.

The proposed amendment would not ''overturn two Court of Appeals decisions.'' It certainly would not overturn LEAF II. In fact, it codifies LEAF II. It doesn't even overturn LEAF I, but would allow EPA to determine that the current state/EPA regulatory partnership is working effectively and that additional federal regulation is not necessary

The proposed amendments would not ''fully suspend'' regulation of hydraulic fracturing. Current state regulations would be unaffected and remain in force.

On behalf of the Ground Water Protection Council, we again urge you to support the Hydraulic Fracturing Amendment.

Sincerely,

MICHEL J. PAQUE,
GWPC Executive Director.

Mr. INHOFE. Mr. President, again, we are saying let's not get emotional about this. Let's not come up with all kinds of accusations. Instead, let's let science decide. Right now, scientific studies subjected to an independent peer review is an appropriate way to determine if Federal regulation of hydraulic fracturing is necessary. The required National Academy of Sciences review of EPA's findings approves an independent verification of the study's results. When the study does come in, it does not necessarily mean EPA has to follow the dictates, the results of this study, but they can and they may decide to do another study. At least we are letting the scientists make a decision as to who is right.

I cannot overemphasize, as the Senator from Alabama talked about how clean natural gas is, how clean it is. That is not even debatable. It is in such plentiful supply. We need this.

Eighty percent of the wells that are done have to use this technique in order to produce the natural gas that is necessary to fully utilize that source. So I think this is a very balanced approach, and it is certainly bipartisan.

I applaud our Senator from New Mexico, along with others who have joined us in supporting this amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, I also commend the Senator from Alabama for his effort in this regard. I do think his proposed modification of our amendment makes a good deal of sense, and we were very pleased to accept that. He does have some peculiar problems in Alabama in trying to implement their regulatory program, and I think clearly we want to see that State succeed. That is his objective as well. So I am glad we could accommodate that concern.

I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BINGAMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BINGAMAN. Mr. President, I ask unanimous consent that the time during the quorum call be counted equally against all the Senators who are controlling time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BINGAMAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SESSIONS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SESSIONS. Mr. President, I would like to share some thoughts as we move toward a vote on the Price-Anderson nuclear liability amendment that will be coming up later this afternoon. It is an important amendment. It represents an extension of current policy, and it is something we should do. The reason we should do that, I am so firmly convinced, is that nuclear power is an important component of our national energy mix. One out of every five times Americans turn on their light bulbs, one out every five times Americans turn on their refrigerators, or turn on anything else, one out every five times Americans use electricity, that electricity is produced thanks to nuclear power.

Currently, 20 percent of our supply comes from nuclear power. I think it is time for us to consider not only maintaining that but actually increasing that percentage. The Palo Verde Nuclear Generation Station in Arizona, for example, generates more electricity annually than any other power plant of any kind, including coal, oil, natural gas, and hydropower. We simply have to realize the potential of this energy source and join many of the other leading nations in the world in continuing to implement nuclear as a major component of our energy mix.

The Energy Information Agency predicts a 30-percent increase in the demand for electricity in this country by the year 2015—a 30-percent increase in demand over the current level. Twenty percent of our power today comes from nuclear power. France produces over 60 percent from nuclear. Japan produces nearly 50 percent of its electricity from nuclear power sources. In 10 countries, there are 29 nuclear plants currently under construction. The United States has none. We should be following suit. We simply do not need to allow the rest of the world to get ahead of us on the question of producing power by nuclear energy.

I have enjoyed visiting our nuclear plants in Alabama. The Tennessee Valley Authority is setting records for safety, reliability, and productivity at their Browns Ferry plant. They have 1,000-plus employees making high wages and producing a steady source of energy 24 hours a day. They have the time to shut down those plants for refurbishing, and the cost has been reduced quite significantly. It is an important part of our energy mix.

Shortly after I came to the Senate, I attended the 44th Annual Session of

the North Atlantic Assembly in Scotland. Members of parliaments from throughout the North Atlantic nations attended. At that meeting, the Ambassador to the United Nations International Energy Agency appointed by President Clinton, John B. Ritch, III, stated in his presentation that electricity demands will double in the world by 2050 and the one technology capable of meeting a large baseload with negligible greenhouse emissions is nuclear power.

He added:

In the century ahead, mankind must place great reliance on harnessing the nuclear genie and using it to maximum effect, if our needs are to be met and our security preserved.

In fact, he went into some detail about the cost and the benefits of alternative sources of power. He concluded that they all have some benefit but that none can even come close to meeting this huge surge in demand the world is going to be facing in the decades to come.

Nuclear energy is a clean source of energy. It is environmentally friendly. I am astounded we have the debate that we have over whether or not nuclear energy is a positive thing for the environment. It most certainly is. Nothing else can produce this kind of source of power with no air pollution from it.

We would never have air as clean as we have today if we dropped all our nuclear plants and started producing that energy with coal or oil. We could not come close to that. According to a study conducted by Energy Resources International, nuclear energy has prevented the release into the atmosphere of 219 million tons of sulfur dioxide, 98 million tons of nitrogen oxide, and 2 billion tons of carbon dioxide since 1973.

Annually, nuclear power prevents the release of 5.1 million tons of sulfur dioxide, 2.4 million tons of nitrogen oxide, and 33 million metric tons of carbon.

In Alabama, there are currently two nuclear powerplants: Browns Ferry and Farley. In 1999, those powerplants avoided the release of approximately 163,000 tons of sulfur dioxide emissions, 90,000 tons of nitrogen oxide emissions, and 6.8 million metric tons of carbon emissions.

The building blocks of ozone, that we know is not a good thing in our atmosphere, as we have created it in manmade quantities—an irritant to our lungs, a health risk to children and the elderly—are not emitted at all by nuclear powerplants. Ozone precursors are fossil fuel produced.

Implementing nuclear energy is the only way we can meet our projected energy demand while simultaneously reducing the release of sulfur dioxide and nitrous oxides. Furthermore, nuclear energy does not emit carbon dioxide, which is what people blame for global warming. That is a matter I think people cannot dispute.

It strikes me as hypocritical that those who complain most and express the most fear about global climate change are, in general—but not always—the same people who are against nuclear power. Many of these people, I believe, unfortunately, are not rational on this subject. People have referred to them as ''nuke kooks.'' But, whatever, they are obsessed with blocking nuclear power.

A few years ago the American Society of Mechanical Engineers, a reputable professional organization composed of innovative individuals, engineers, who design solutions to meet our energy needs, issued a paper regarding climate change. In the paper, they made numerous statements regarding the importance of nuclear to our energy mix. They stated:

It is unlikely, however, that a worldwide, stable atmospheric carbon dioxide concentration—

That is, a stable amount of carbon dioxide in the air—

can be reached without the use of nuclear, renewable, and biomass energy for electric power generation.

Our legislation significantly promotes biomass and renewable energy. There is little in this bill to really increase nuclear power.

I continue to quote:

Assuming that the historical trend continues in which electricity consumption follows economic growth, it becomes essential that the U.S. environmental policies include retention of existing nuclear power generation capacity. Indeed, these policies should include development and implementation of additional nuclear power reactors to meet a growing demand for electricity. . . .

Looking at this matter objectively, just at the overall picture of our energy demands, it is clear to me that nuclear energy is the only viable solution to meeting both our energy demands and our environmental objectives. It will produce power required to meet our energy needs in a safe and environmentally friendly way.

People say: It is risky. It is dangerous. The people who live near the nuclear reactors in Alabama with whom I meet and talk are very strong supporters of nuclear power. The overwhelming majority of Americans favor nuclear power. They favor the expansion of nuclear power.

But let's talk about the safety record.

The nuclear energy sector has, in any way you look at it, a stellar safety record. We have not lost one life in this country—ever—as a result of a nuclear power accident in the history of this country. How many people have we lost in accidents with trucks and trains carrying coal, or with pipelines carrying natural gas, or in coal mines, or in other ways where lives are lost in the production of other unclean sources of energy, the kind of sources of energy that produce NOx and SOx and the kind of adverse exposures to health that come from fossil fuels? So we have those kinds of unhealthy actions, too, in addition to just the safety factor in producing the energy.

The main reason the nuclear industry is so safe is that it is overseen—originally by the Atomic Energy Commission and now the Nuclear Regulatory Commission. As a member of the Environment and Public Works Committee at the time, we had a number of hearings about the oversight by NRC. They are meticulously reviewing and monitoring nuclear plants all over America. They do that on a constant basis. They are exceeding other countries in the cost of their supervision and in the minutiae of it. But we have not had any accidents.

We had the problem at Three Mile Island. A major sea change has occurred since then. A recent study has shown that no one suffered injury from the Three Mile Island accident, even though, if you asked Americans, they would probably think people were injured from it. But a scientific study has indicated there were no injuries, whatsoever, as a result of that accident.

But since then, we have learned and we have stepped up, even to a much higher degree, our supervision by the Nuclear Regulatory Commission of nuclear plants. I do not believe we will see that ever happen again. I believe we would react so much better, if anything were to begin to happen like that, that we would not see that kind of event occur again.

We are also looking at new and special ways to produce nuclear power, new kinds of reactors where it would be impossible to have a nuclear reactor explosion or break.

Last June, at the Economic Club of Chicago, in a major address, Alan Greenspan, Chairman of the Federal Reserve Board—the architect, I suppose, of our economy—talking about what America needed to do, made this statement:

Given the steps that have been taken over the years to make nuclear energy safer, and the obvious environmental advantages it has in terms of reducing emissions, the time has come for us to consider whether or not we can overcome the impediments to tapping its potential more fully.

Doesn't he always have a nice way of saying those things?

I think it is time for us to consider the impediments to the expansion of nuclear energy. I agree with him, especially in light of our goal of cleaning up our air.

Every year, the Federal Government provides tax credits and financial incentives for solar cells and wind turbines and biomass sources. I supported many of those. We are not providing anything here for nuclear energy. I think we need to consider that.

Many people have objected, saying, you have no place to put nuclear waste, and this is, somehow, the Achilles' heel of nuclear power. They act as if the amount of nuclear waste would cover the entire State of Rhode Island, I suppose, and that nuclear waste is so hazardous, if you move it on a rail or truck, it could blow up and kill us all.

The truth is, if a truck loaded with nuclear waste were to roll over or a train were to roll over, as Senator MURKOWSKI says, it does not blow up, it does not flow off into the air; you just pick it back up, put it on the track, and send it off.

We can move nuclear waste. There is no danger in that. It is an irrational thing that we have created this idea that somehow it is greatly disastrous and risky to move nuclear waste to an acceptable site to store it.

I applaud the work of the Secretary of Energy, Spence Abraham, a former Member of this body, and President Bush who are moving forward with a decision on Yucca Mountain to store this waste. It is the culmination of decades of scientific study, consultation with science and environmental advisers, and meetings with leaders and citizens in Nevada. Finding a safe and central repository is mandated by a law passed years ago, and it is also necessary for America's homeland security. For example, 40 percent of our Navy's fleet is powered by nuclear power. The lack of a repository drives up the cost of nuclear power, rendering this clean power generation less economical than it would be and less competitive.

Certainly one of the main reasons we are not building new plants today is because of the waste problem. Of course, those who oppose nuclear energy, I strongly believe—and a fair person would agree—have used this as a tool to attack nuclear power and not allow us to proceed in a rational way.

Nuclear materials are now stored in 131 aboveground facilities in 39 States in America; 161 million Americans live within 75 miles of these sites. One central site in the Nevada desert, where we exploded nuclear bombs on the surface when we were first learning how to make nuclear bombs, provides much more protection for America, much more security, and is much cheaper than keeping all these other sites that have been ongoing.

Nobody has ever been injured from the 131 sites we now have. They are going to bury it in the ground, spending billions of dollars paid for by the nuclear energy companies, part of the rates they charge, to fund this site. We need to use that. We have the ability to solve this problem, to move ahead with it. The only objection I can see, other than some of the people in Nevada that oppose it, is that it would relieve an objection, it would remove an objection that the antinuclear supporters have used to hide behind in their opposition to nuclear power.

This nuclear liability amendment we will be voting on this afternoon is critical to helping us maintain, not expand but maintain our current clean source of 20 percent of our electricity. We ought to pass that. We ought to open our eyes to the possibilities for the world for the expansion of nuclear power.

It has been said that the lifespan of human beings on this globe who have ready access to nuclear power electricity is twice that of countries where it is not readily available. Electricity is one of the great discoveries in the history of mankind. If you don't think so, what would it be like to have to cook by fire every day or wash your clothes in the river? It is an energy system that has done so much for the world.

We have large portions of this world—think about India, China, South America, not nearly at full capacity on electricity—that could use much more electricity. How are we going to produce it? What will happen to our global warming theorists when they start using coal and other fossil fuels in huge numbers to meet their growing demands for power around the world? Do they think they are not going to expand their electricity? How could we ask them not to? How could we ask a poor country where people are dying at 40 and 45 years of age, with all the adverse consequences, not counting the quality of life, to not expand their energy? They are not going to be able to do it solely with solar and windmills and biomass. It is just not there; the numbers are not there.

Yes, we can do conservation. Yes, we can reduce our use. Yes, we could be more efficient. I visited an Alabama plant not long ago that makes refrigerators. That product they produce uses one-half the electricity of one of the same size used 10 years ago, but you can't go much lower. It takes a certain amount of electricity to run a refrigerator. We have a limit on how much we can conserve.

In fact, many of our better and easier steps toward improving efficiency have already been found. We are using them. The new steps to make ourselves more energy efficient are out there. Many more can be done. But they will not make as big an impact as the ones we have already undertaken. That is the law of science.

It would be an error of colossal proportions for our environment, for safe energy, and for low-cost power, if we do not deal with the question of nuclear liability. I believe we will do that. I am confident we will pass it later on this afternoon.

We also need to, as a nation, shake off the misinformation about nuclear power. Look at it. Consider the fact that we lost not one life in America as a result of the production of nuclear power, that we have not lost any lives as a result of breathing pollutants, as we probably have, as we certainly have, from coal and other plants, as a result of breathing the air around nuclear plants.

This is a good environmental issue. It is a good energy issue. It has the potential to move us forward. We need to be thinking about the great potential to make the plants that are more modern and more efficient and even more safe than today. In fact, some can be designed that make it impossible to release radioactive material.

I know we will be voting later on this afternoon on this amendment. I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. NELSON of Florida). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, I ask unanimous consent that the vote that is now scheduled for 2 o'clock today be rescheduled for 2:15 p.m. under the same conditions of the previous unanimous consent agreement, and the only change I request is between the first and second vote there be 2 minutes equally divided for those who wish to speak on the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SESSIONS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SESSIONS. Mr. President, I have some further comments specifically addressing the Price-Anderson insurance program for nuclear powerplants that we will be voting on a little later this afternoon, maybe around 2:15. Making some points about the details of it, 45 years ago the nuclear power industry said if they were going to go forward with this new source of power, they wanted to be able to develop an insurance program that would work and that would assure the communities in which they are building these plants they would be operated safely, and if something bad occurred that everybody would be compensated.

Those communities have been confident in that process ever since, but the act does expire and it is time for us to extend it. It would be a terrible mistake if we did not. It would cause quite a bit of heartburn.

I will share a few thoughts about how this insurance program works. I believe people would feel good about it and want to go forward with it. The average business in America that does the things they do every day may have products on their premises that are somewhat dangerous. If a terrorist or somebody blows it up and it kills people, it is not their fault. They are not liable. They did not do anything wrong. They were not negligent. They were not irresponsible. They were not reckless, and they did business in a safe way.

Of course, the nuclear power industry operates precisely the way the Nuclear Regulatory Commission tells them to

operate, in a safe fashion. At any rate, they are doing what they can to comply with the law and the regulations, and they have had this insurance policy. Each plant has a $200 million policy for which they are personally responsible. If anything happens, they carry their own $200 million policy. The entire industry has come together and pooled up to $9 billion of a policy, and this is sort of structured by the Price-Anderson Act, and it is all paid for by the nuclear power industry.

Above that, if something were to happen so badly above that, then the Federal Government would have liability to pay under Price-Anderson. That is what our American communities have had a right to expect. They were told that when the plants were built, and we need to continue that policy today. We certainly do not need to stop it. I believe the votes are there, and we will pass an extension of Price-Anderson. It would be a bad thing, cause unnecessary heartburn, would be a breach of the fundamental promises of the Federal Government that we do that if we did not extend it, and also it could weaken the nuclear power industry, further containing any hope of expansion of this 20 percent of our electric-generating capacity that produces no pollution.

As I noted earlier, the U.S. nuclear powerplants prevent 5.1 million tons of sulfur dioxide from being emitted into the atmosphere, 2.4 million tons of nitrogen oxide, NO_x, and 164 metric tons of carbon from entering the Earth's atmosphere. That is the kind of thing they do on a regular basis, producing power cleanly and safely for the benefit of humankind throughout this country.

For over 45 years, Price-Anderson has provided a guaranteed compensation to the public in the event a nuclear accident were to occur. It provided coverage for precautionary evacuations and out-of-pocket expenses, reducing delays that are inherent in any kind of lawsuit that would have been filed, maybe taking years. It guaranteed prompt payment by the insurance companies; no lawsuits. You are liable. You accept strict liability, which is not the law, as I noted, for other businesses, and it consolidated the matters in a single Federal court so promptness and efficiency and fairness can occur. That is a good policy. We ought not to end it now.

It is important for safe and clean power to be continued to be produced for America, and I believe we will have a strong vote in favor of it this afternoon. Thus, I note there is concern by people, but even in Three Mile Island the total amount expended was less than $200 million, compensating everybody and doing all the things necessary to test and examine and make sure the community was safe; $191 million. That would all be covered by that insurance company's own policy, that power company's own policy. If it went above that, up to $9 billion, then the industry would pay for it. Only above that would the taxpayers have any risk. I think it is a good bargain for America. It is a sound program. We ought to continue it.

I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, I was with Senator LOTT during the lunch hour and was not able to hear all the remarks of the Senator from Alabama, my friend, Mr. SESSIONS, but my staff did outline for me some of the things he said.

This is not the time and the place for a discussion, debate, on things nuclear in the true sense of the word. That time will come.

Price-Anderson points up the problems we have with nuclear power. If in fact nuclear power was such a good deal, why does it need a subsidy? Wouldn't any other utility love to have the Federal Government backing its liability? That is, in effect, what Price-Anderson does.

Many years ago, when nuclear power was an experiment and was in its infancy, and we, the Government, Congress, the President, decided to give it a shot in the arm to see if it would work, even back then everyone recognized the dangers of nuclear power. We have had since then Three Mile Island and other problems. It was simply a question that they could not get the places insured.

We are now told these places are so safe, there is no reason for the subsidy. If these places are so safe, they should be able to buy insurance. If they can't buy insurance, then the amendment I offered should have been followed; that is, there should be real, true accounting in determining liability of these companies. It is clear the nuclear power industry is now a mature electricity industry that no longer needs liability protection.

Price-Anderson has actually led to a decrease in the amount of private insurance available. In the 1950s the private insurance industry was willing to insure an accident for $50 million, despite experience with the new technology. Today, the private insurance industry only provides $200 million insurance. That does not keep up with inflation.

One of the things that is wrong with Price-Anderson is, how do they determine the $200 million that they have available in case there is an accident? What they should do is have a surety bond, a letter of credit, some type of escrow account, or perhaps government securities or insurance.

If there were ever an Enron example, it is this. They have a showing that they either have a cashflow or cash reserve that can be generated and would be available within 3 months. Not now—within 3 months. That is, as far as I am concerned, sheer foolishness.

I wasn't born yesterday. I know this amendment is going to be agreed to, but it should not be agreed to. I think nuclear power should stand on its own two feet. In Nevada, we are trying to develop large windmill factories to produce electricity. They are going to put up their own money. There is no Government assurance if somebody gets hurt out there the Government will pick up the expense. The same is true with solar, geothermal, biomass, coal, and natural gas. So Price-Anderson should fail.

As I have indicated earlier today, virtually every environmental group in America is opposed to this legislation.

I offered an amendment. I talked about it this morning. Every environmental group was in favor of my amendment. But we have a situation now where this amendment is being pushed forward. As I said in the presence of my friend, the junior Senator from New Mexico, I am disappointed he is cosponsoring this amendment. I think it is wrong. I think we should follow the Friends of the Earth, Sierra Club, Environmental Defense Fund, the Union of Concerned Scientists, Defenders of Wildlife, USPIRG, Safe Energy Communications Council, Natural Resources Defense Council, National Environmental Policy Act Trust, Nuclear Information Resource Service, League of Conservation Voters, Taxpayers for Common Sense, Public Citizens for Critical Mass, and STAR. These are entities that are concerned about the environment and they say Price-Anderson is not good for the environment.

So I hope Members will look closely at what they are doing. There will be a few votes against this. There should be a lot more. I am very disappointed that we cannot slow this down.

This bill is important legislation for the country, and I recognize that. I think the work we did yesterday was so important, to allow a pipeline to come from Alaska. That would have 50 million tons of steel to construct the pipeline. It would be 2,100 miles of pipe creating 400,000 jobs. That is what we should be doing.

About 40 trillion cubic feet of natural gas can come down that pipeline. That is big. Of course, this is relatively new. It wasn't many years ago that natural gas was just pumped out into the environment. It served no purpose. Now, of course, we use it to power many of our powerplants in America today.

As I said earlier, there is going to be a time in the next several months to talk in more detail about nuclear waste, but this is not the time or the place to do it. I look forward to a vote in approximately 20 minutes to take care of the matter that Senator BINGAMAN offered dealing with hydraulic fracturing, and also the amendment

dealing with the Price-Anderson legislation. I hope the Price-Anderson legislation gets a significant number of votes against it.

Mr. INHOFE. Mr. President, I ask how much time remains on both sides.

The PRESIDING OFFICER. The Senator from Oklahoma, on his side of the aisle, has no time remaining.

Mr. REID. If the Senator from Oklahoma wishes time, how much time does he wish?

The PRESIDING OFFICER. The Senator from Nevada has 21 minutes remaining.

Mr. INHOFE. Five minutes?

The PRESIDING OFFICER. The Senator is recognized for 5 minutes.

Mr. INHOFE. Mr. President, I thank the Senator from Nevada for giving me some of his time, particularly since we are not in agreement with each other on one of the two votes that will be taking place.

I spent 30 years of my life in the insurance business. I know the Chair knows a little bit about this business—he spent some time there, too. I think the Price-Anderson program as an insurance program is a good deal for the public. For over 45 years, Price-Anderson has provided immediate and substantial private compensation to the public in the event of a nuclear accident. It has provided coverage for precautionary evacuations, out-of-pocket expenses, has reduced delays that are inherent in court cases, and has consolidated all cases into a single Federal court.

I think it is also important to recognize it has never cost the Government any money. This is not a Government program.

Going back to my third point, if we didn't have something like this, then we would be dependent upon the tort system in this country. We are going to hear about the delays and the cost. This is one of the programs that has been successful for 45 years. When it gets down to some of the people who are opposing the program, they are actually opposed to nuclear energy.

I am old enough to remember back in the 1960s and 1970s, the hysteria that hit the streets when they were talking about nuclear energy and picketing and protesting. As the years went by, other problems came up with other forms of generation of energy.

We went through a long period of time during the Clinton administration with the EPA coming up with some ambient air targets that were not realistic. It created great problems. So we started talking about all the pollutants, emission problems, refineries—keeping in mind all during that discussion our refineries were at 100 percent capacity. Yet we were trying to add more and more problems to them with new source review and other programs, making it just a very expensive program.

During that time, a lot of the people who 20 years before had been picketing because they were opposed to nuclear energy, realized that nuclear energy is safe now, it is clean, and it is abundant.

The thing that I stress when we are talking about energy is we want all forms of energy—we want renewables, we want nuclear energy, we want fossil fuels, we want all the forms of energy because we do not want an energy crisis.

As far as nuclear energy is concerned, we are only dependent on that for 20 percent of our energy needs. France is 80 percent dependent. I think we will see in the future that percentage is going to have to go up until some of the renewables and other experimental systems come into play where we can depend on them for an abundance of energy. Until then, we are going to have to be using some of the energy sources that we know work and work today. Certainly this is one of them.

The assistant majority leader also mentioned we will have two votes starting at 2:15. The other is on hydraulic fracturing. I think it is important to talk about that in the same vein because there you are talking about natural gas. I am from Oklahoma. We know a little bit about natural gas. We know it is among the cleanest forms of energy out there. It is plentiful. It is inexpensive. But as far as being plentiful, one of the problems we are having is we have to be sure that we can maintain what we are doing right now in bringing natural gas out of the ground.

Right now, and for the next couple of years, we will be able to do that. However, because of the court decision that has already been discussed on the floor by a number of the Senators, we could be having a problem. The system, the procedure of hydraulic fracturing where you are forcing the natural gas or the oil out of the rock formations, is one that has been proven and has been used since the 1940s.

We are talking about 60 years we have been doing this. In 60 years and over 1 million wells where we have used this procedure, we have yet to have any environmental problem. So it kind of blows my mind there would be people, after 60 years of success, who would say there might be an environmental problem with it. There is no environmental problem with it.

The only problem right now is a court case for which we are going to have to go ahead and complete a study.

It is important for all my colleagues to realize on this vote today all we are talking about is completing the study that is underway right now. The EPA does not have to follow the guidelines of that study. They can authorize another study. But this amendment is to at least let science step in and say: Since there has not been a problem before, here are the risks of a problem in the future. If there is not a problem, we need to go ahead and eliminate that obstacle so we will be able to continue using that system.

Mr. President, 80 percent of the wells right now—and it is a higher percentage when you go to my State of Oklahoma because most of those are marginal wells, wells with 15 barrels a day or less—but 80 percent of them are going to have to use hydraulic fracturing. That system is necessary in order to come up with the natural gas we need.

Mr. REID. Mr. President, I started out my legal career as an attorney for insurance companies. I did lots of trial work representing insurers in automobile accidents, hospitals, and hotels. I have some knowledge of insurance. I have no question that Price-Anderson gives the nuclear generators a subsidy and an unfair advantage.

Having said that, I want to comment briefly on some of the things my friend from Alabama said, I am told, about nuclear power and the high-level nuclear repository that is being contemplated in Nevada.

First of all, the GAO said there are 292 scientific investigative reports for which the Department of Energy is waiting. It wasn't time to go forward with that.

In addition to that, the Nuclear Waste Technical Review Board, led by the prominent American scientist, Jared Cohon, who was dean of the forestry department at Yale and is now president of Carnegie Mellon, and his group have said that the science at Yucca Mountain is poor.

I think before we get into a long debate here on the floor, which we are not going to do—I said there will be another time to do that—Leader GEPHARDT issued a statement just 2 days ago decrying the Department of Energy's action recently dealing with nuclear waste saying that, among other things, St. Louis passed a resolution saying nuclear waste should not be brought through their city. There are other things, and we will talk about those later.

I hope we can move forward generally on this legislation. By tomorrow we will have spent a whole week on this. I am not certain how much more time Senator DASCHLE can afford to stay on this. We have debt limits, campaign finance, and a lot of other things to deal with. I hope those who believe this bill needs a lot more work will move forward as quickly as possible and do what they think in the way of amendments will improve this legislation, of course recognizing that a conference committee will take place. I think we should do everything we can to move this legislation as quickly as possible.

I suggest the absence of a quorum.

The PRESIDING OFFICER (Mrs. CARNAHAN). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. INHOFE. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. INHOFE. Madam President, I know our side is out of time. I would

like to ask if I could have a couple minutes.

Mr. REID. Madam President, does the Senator from North Dakota wish to speak prior to the vote at 2:15?

The Senator from Oklahoma may have 3 minutes. Will that be adequate?

Mr. INHOFE. That is fine.

Madam President, I respectfully disagree with what the Senator from Nevada said about the subsidy. The Federal Government does not use taxpayer money to pay claims in the event of a nuclear incident. There has been no subsidy in the 43 years of Price-Anderson protection. The nuclear insurance pool is not the Federal Government. It has paid a total of, I believe, $191 million in claims. The Price-Anderson Act ensures that full compensation will be available in the event of a nuclear attack. In the absence of the law, members of the public filing claims would need to overcome substantial obstacles of tort law for recovery. As we all know, that is very expensive and very time consuming.

I think the key here is that no public funds have ever been paid out. For that reason, there is no way one can say this is a subsidized program.

The Federal Government provides insurance mechanisms for losses associated with agricultural disasters, floods, banks, savings and loans; to pay for home mortgages, Social Security, Medicare, crime, and maritime accidents. It is not unusual for the Federal Government to do it. But under the current law, the limitation on liability exists for oil spills, bankruptcy, and workers compensation, but not in the case of nuclear accident. While it is very common for the Federal Government to expend moneys to underwrite and to be in the insurance business many times to compete with the insurance industry, in this case it isn't true. There is no subsidy involved.

I am sure my time has expired. I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Madam President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from New Mexico.

Mr. BINGAMAN. Madam President, what is the regular order?

The PRESIDING OFFICER. The Senate is to vote on amendment No. 2983.

Mr. BINGAMAN. Is that vote to occur immediately or is there time to speak?

The PRESIDING OFFICER. At 2:15.

Mr. BINGAMAN. I see Senator VOINOVICH.

That is the Price-Anderson amendment, I believe.

The PRESIDING OFFICER. The Senator is correct.

Mr. BINGAMAN. I thank the chair.

VOTE ON AMENDMENT NO. 2983

The PRESIDING OFFICER. Under the previous order, the question occurs on agreeing to amendment No. 2983 offered by the Senator from Ohio. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. REID. I announce that the Senator from Massachusetts (Mr. KENNEDY) is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 78, nays 21, as follows:

[Rollcall Vote No. 42 Leg.]

YEAS—78

Akaka	Domenici	Lugar
Allard	Dorgan	McCain
Allen	Durbin	McConnell
Bayh	Edwards	Mikulski
Bennett	Enzi	Miller
Bingaman	Fitzgerald	Murkowski
Bond	Frist	Murray
Breaux	Graham	Nelson (FL)
Brownback	Gramm	Nelson (NE)
Bunning	Grassley	Nickles
Burns	Gregg	Roberts
Byrd	Hagel	Santorum
Campbell	Hatch	Sarbanes
Cantwell	Helms	Sessions
Carnahan	Hollings	Shelby
Carper	Hutchinson	Smith (NH)
Chafee	Hutchison	Smith (OR)
Cleland	Inhofe	Specter
Cochran	Johnson	Stabenow
Conrad	Kohl	Stevens
Corzine	Kyl	Thomas
Craig	Landrieu	Thompson
Crapo	Levin	Thurmond
Daschle	Lieberman	Torricelli
DeWine	Lincoln	Voinovich
Dodd	Lott	Warner

NAYS—21

Baucus	Feingold	Reed
Biden	Feinstein	Reid
Boxer	Harkin	Rockefeller
Clinton	Inouye	Schumer
Collins	Jeffords	Snowe
Dayton	Kerry	Wellstone
Ensign	Leahy	Wyden

NOT VOTING—1

Kennedy

The amendment (No. 2983) was agreed to.

Mr. REID. I move to reconsider the vote.

Mr. INHOFE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2986, AS MODIFIED

The PRESIDING OFFICER. Under the previous order, there are now 2 minutes evenly divided prior to a vote on the Bingaman amendment No. 2986, as modified. Who yields time?

Mr. BINGAMAN. Madam President, I ask unanimous consent that Senator ROCKEFELLER be listed as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BINGAMAN. Madam President, this amendment sets up a study process to determine whether hydraulic fracturing should be regulated by the Federal Government under the Safe Drinking Water Act. It is a bipartisan amendment with many cosponsors. It is good policy. It is a policy that was supported by the Clinton administration. It is now supported by the current administration.

I yield the remainder of my time to the Senator from Oklahoma.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. INHOFE. Madam President, I ask unanimous consent that the following Senators be added as cosponsors: Senators ENZI, MURKOWSKI, SESSIONS, and NICKLES.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. INHOFE. Madam President, I wish to add to the remarks of the Senator from New Mexico. This procedure is being used today. It has been used since the 1940s. Over 1 million wells have used hydraulic fracturing. There has never been any documented case of any environmental damage.

The PRESIDING OFFICER. The Senator's time has expired. Who yields time in opposition?

Mr. MURKOWSKI. May I take the remainder of the time? I simply want to advise Senators that, indeed, this matter has been cleared by both the minority and majority, and we concur in its adoption. It is the right thing to do.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 2986, as modified.

Mr. THOMAS. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. REID. I announce that the Senator from Massachusetts (Mr. KENNEDY) is necessarily absent.

The PRESIDING OFFICER (Mr. CORZINE). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 78, nays 21, as follows:

[Rollcall Vote No. 43 Leg.]

YEAS—78

Akaka	Domenici	Lugar
Allard	Dorgan	McCain
Allen	Edwards	McConnell
Baucus	Ensign	Miller
Bayh	Enzi	Murkowski
Bennett	Frist	Nelson (FL)
Bingaman	Graham	Nelson (NE)
Bond	Gramm	Nickles
Breaux	Grassley	Reid
Brownback	Gregg	Roberts
Bunning	Hagel	Rockefeller
Burns	Harkin	Santorum
Byrd	Hatch	Sessions
Campbell	Helms	Shelby
Carnahan	Hollings	Smith (NH)
Carper	Hutchinson	Smith (OR)
Chafee	Hutchison	Snowe
Cleland	Inhofe	Specter
Cochran	Inouye	Stevens
Collins	Johnson	Thomas
Conrad	Kohl	Thompson
Craig	Kyl	Thurmond
Crapo	Landrieu	Torricelli
Daschle	Levin	Voinovich
DeWine	Lincoln	Warner
Dodd	Lott	Wyden

NAYS—21

Biden	Feingold	Mikulski
Boxer	Feinstein	Murray
Cantwell	Fitzgerald	Reed
Clinton	Jeffords	Sarbanes
Corzine	Kerry	Schumer
Dayton	Leahy	Stabenow
Durbin	Lieberman	Wellstone

NOT VOTING—1

Kennedy

The amendment (No. 2986), as modified, was agreed to.

Mr. INHOFE. I move to reconsider the vote.

Mr. BINGAMAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BINGAMAN. At this point, I believe Senator CRAIG has an amendment he wishes to offer that we can agree to and voice vote. Then I have amendments on behalf of Senator AKAKA that I would like to handle the same way.

The PRESIDING OFFICER. The Senator from Idaho.

AMENDMENT NO. 2987

Mr. CRAIG. Mr. President, I send the amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Idaho [Mr. CRAIG] proposes an amendment numbered 2987.

Mr. CRAIG. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To provide for multiple-year authorization for the fusion energy sciences program)

Strike subsection (e) of section 1254 and insert the following:

''(e) AUTHORIZATION OF APPROPRIATIONS.—From amounts authorized under section 1251, the following amounts are authorized for activities under this section and for activities of the Fusion Energy Science Program:

''(1) for fiscal year 2003, $335,000,000;

''(2) for fiscal year 2004, $349,000,000;

''(3) for fiscal year 2005, $362,000,000; and

''(4) for fiscal year 2006, $377,000,000.''.

Mr. CRAIG. Mr. President, this amendment authorizes outyear funding levels for the Department of Energy Fusion Energy Sciences Program.

I appreciate Chairman BINGAMAN incorporating provisions of my bill on fusion science research in the Daschle-Bingaman substitute bill. However, the Daschle-Bingaman substitute did not incorporate outyear funding authorizations for the Fusion Energy Sciences Program. This technical amendment authorizes funding for fiscal years 2003 through 2006.

While we grapple with short-term remedies to our energy problems, we need to stay focused on long-term investment in those areas which have the potential to help secure our energy future. I believe fusion energy has the potential.

I appreciate the support of the chairman on this issue. It is our understanding we might be able to voice vote this.

Mr. BINGAMAN. Mr. President, I support the amendment. I think this will improve the bill. I urge all Senators to support this amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2987) was agreed to.

Mr. BINGAMAN. Mr. President, I am informed Senator MCCAIN is ready to offer his amendment.

AMENDMENT NO. 2979

Mr. MCCAIN. Mr. President, I call up amendment No. 2979 which is at the desk, and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Arizona [Mr. MCCAIN], for himself, Mr. HOLLINGS, Mrs. MURRAY, Mr. BINGAMAN, Mr. BREAUX, Mr. SMITH of Oregon, Mr. DOMENICI, Mrs. HUTCHISON, and Mr. WYDEN, proposes an amendment numbered 2979.

Mr. MCCAIN. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The amendment can be found in the RECORD of Tuesday, March 5, 2002, on page S 1542.)

Mr. MCCAIN. Mr. President, I understand the Senator from Alaska has a second-degree amendment to the pending amendment. I know the Senator from Alaska is very busy. I have a statement which is probably about 10 or 15 minutes long, but if the Senator from Alaska wishes to propose his second-degree amendment, I am willing to delay in my statement.

Mr. MURKOWSKI. I can wait.

Mr. MCCAIN. Mr. President, over a year ago the Senate passed S. 235, the Pipeline Safety Improvement Act. That bill was approved by a vote of 98–0 on February 8, 2001, and is designed to promote both public and environmental safety by reauthorizing and strengthening our Federal pipeline safety programs which expired in September 2000.

While the Senate has now passed pipeline safety legislation in both the 106th and the 107th Congresses, the other body has yet to take meaningful action to address pipeline safety. Despite efforts to encourage the other body to approve pipeline safety legislation and help prevent not only needless deaths and injuries but also environmental and economic disasters, there has been little movement by the House on this important issue. Therefore, the Senate must take whatever action we can to advance pipeline safety legislation.

Today I offer the Pipeline Safety Improvement Act as an amendment to the pending energy bill. I believe it is appropriate to consider this issue in the context of energy legislation. I believe it is appropriate to consider this issue in the context of the post-September 11 environment. I think it is appropriate to consider this issue in the context that it is an issue which really needs to be addressed.

The Senator from Alaska, it is my understanding, will be proposing an amendment that has to do with the damage to the Alaskan pipeline, which is probably an important amendment.

When one looks at this chart of the natural gas and hazardous liquid pipelines of the United States, the first conclusion one draws is that there is a need for pipeline safety and security. I don't need to draw scenarios as to what could happen in the event of the disruption or destruction of one of these pipelines, many of which carry material which is highly toxic and hazardous. I am pleased to be joined in this bipartisan effort by Senators HOLLINGS, MURRAY, BINGAMAN, BREAUX, SMITH, DOMENICI, HUTCHISON, WYDEN, and TORRICELLI. Our goal is to enact comprehensive legislation for pipeline safety for the public, the environment, and the economy.

The Office of Pipeline Safety, within the Department of Transportation Research and Special Programs Administration, oversees the transportation of about 65 percent of the petroleum and most of the natural gas transported in the United States. The Office of Pipeline Safety regulates the day-to-day safety of 3,000 pipeline operators with more than 1.6 million miles of pipeline. I repeat, 1.6 million miles of pipeline. It also regulates more than 200 hazardous liquid operators with 155,000 miles of pipelines, as depicted on this chart. This chart shows the red lines as the liquid pipelines and the dark-colored lines as natural gas pipelines.

Given the immense array of pipelines that traverse our Nation, reauthorization of our pipeline safety programs is critical to the safety and security of thousands of communities and millions of Americans nationwide. That is why it is appropriate to include pipeline safety provisions as a key component of any comprehensive energy legislation under consideration.

The amendment being offered today is the product of many months of hearings, bipartisan compromise, and cooperation that began during the 106th Congress. During the past 2 years, my colleagues and I have made repeated statements discussing the critical need to enact pipeline safety improvement legislation.

That necessity has been demonstrated by a number of tragic accidents in recent years.

For example, In June 1999, a fatal pipeline accident occurred in Bellingham, WA, when gasoline leaked from an underground pipeline and was subsequently ignited. That accident resulted in the deaths of two boys and a young man, in addition to a number of injuries and severe environmental damage to the area.

Other tragedies have occurred. On August 19, 2000, a natural gas transmission line ruptured in Carlsbad, NM, killing 12 members of two families. On September 7, 2000, a bulldozer in Lubbock, TX, ruptured a propane pipeline, resulting in the death of a police office. In total, 71 fatalities have occurred as a result of pipeline accidents over the past 3 years.

I think that number is worth repeating: 71 fatalities over the last 3 years

have occurred. Meanwhile, Congress has not acted to enact legislation which, in the view of many experts, possibly could have prevented these fatalities. That is a pretty onerous burden, it seems to me, that is placed on us as legislators in our failure to act.

I regret to report that just yesterday, there was a pipeline explosion near Jeffersonville, KY. Thankfully, no fatalities have been reported, but I am informed it caused a fire so intense that it was picked up on a Federal Government satellite. Clearly, the amendment we are proposing today is not only timely but urgent.

As I mentioned, the Senate has worked to improve pipeline safety and reduce the risk of future accidents. During the last Congress, with the assistance of a bipartisan group of Senators, including Senators Slade Gorton and PATTY MURRAY, the Senate passed the Pipeline Safety Improvement Act of 2000. Unfortunately, the House failed to approve pipeline safety legislation so we were never able to send a measure to the President.

When the 107th Congress convened, one of the first legislative actions taken by the Senate was to consider and pass S. 235, the pipeline safety Improvement Act of 2001, a measure nearly identical to what we passed in the prior Congress. Early attention by the Senate demonstrated our firm commitment to improving pipeline safety. Once again, my colleagues and I are seeking to advance pipeline safety legislation by offering this amendment.

I would be remiss if I didn't point out that despite the tragic accidents I highlighted earlier, the pipeline industry generally has a good safety record relative to other forms of transportation. According to the Department of Transportation, pipeline related incidents dropped nearly 80 percent between 1973 and 1998, and the loss of product due to accidental ruptures has been cut in half. From 1989 through 1998, pipeline accidents resulted in about 22 fatalities per year—far fewer than the number of fatal accidents experienced among other modes of transportation. But this record should not be used as an excuse for inaction on legislation to strengthen pipeline safety.

The pipeline safety program expired nearly 18 months ago. Congress as a whole must address this critical public and environmental safety issue. We need to reauthorize the pipeline safety programs. We need to provide additional funding for safety enforcement and research and development efforts, as well as provide for increased State oversight authority and facilitate greater public information sharing at the local community level.

Let me describe the major provisions of the amendment which is nearly identical to S. 235:

First, it would require the implementation of pipeline safety recommendations issued in March 2000 by the Department of Transportation Inspector General to RSPA. The Inspector General found several glaring safety gaps at Office of Pipeline Safety and it is incumbent upon us all to do all we can to ensure that the Department affirmatively acts on these critical problems.

The amendment would also require the Secretary of Transportation, the RSPA Administrator, and the Director of the Office of Pipeline Safety to respond to all NTSB pipeline safety recommendations within 90 days of receipt. The Department's responsiveness to the National Transportation Safety Board pipeline safety recommendations has been poor at best. while current law requires the Secretary to respond to the NTSB no later than 90 days after receiving a safety recommendation, there are no similar requirements at RSPA. Therefore, this legislation statutorily require RSPA and Office of Pipeline Safety to respond to each and every pipeline safety recommendation it receives from the NTSB and to provide a detailed report on what action is plans to initiate in response to the recommenation.

The amendment would require pipeline operators to submit to the Secretary of Transportation a plan designed to improve the qualificaitons for pipeline personnel. At a minimum, the qualificaiton plan would have to demonstrate that pipeline employees have the necessary knowledge to safely and properly perform their assigned duties and would require testing and periodic reexamination of the employees' qualifications.

It would also require the Department of Transportation to issue regulations mandating pipeline operators to periodically determine the adequacy of this pipeline to safely operate and to implement integrity management programs to reduce identified risks. The regulations would require operators to base their integrity management plans on risk assessment to periodically assess the integrity of their pipeline and to take steps to prevent and mitigate unintended releases, such as improving leak detection capabilities or installing restrictive flow devices. The integrity management provisions will not only be critical to advancing pipeline safety, but also to addressing potential security concerns, which is a shared goal among all the sponsors of this amendment.

The amendment also would require pipeline operators to carry out a continuing public education program to advise municipalities, school districts, businesses, and residents about a variety of pipeline safety-related matters, including pipeline locations. It would also direct pipeline operators to initiate and maintain communication with State emergency response commissions and local emergency planning committees and to share with these entities information critical to addressing pipeline safety and mitigating risks.

The amendment further directs the Secretary to develop and implement a comprehensive plan for the collection and use of pipeline-related data in a manner that would enable DOT to conduct incident trend analyses and evaluations of operator performance. Operation would be required to report incident releases greater than 5 gallons, compared to the current reporting requirement of 50 barrels. In addition, the Secretary would be directed to establish a national depository of data to be administered by the Bureau of Transportation Statistics in cooperation with RSPA.

In recognition of the critical importance of technology applications in promoting transportation safety across all modes of transportation, the legislation directs the Secretary to focus on technologies to improve pipeline safety as part of the Department's research and development efforts. Further, the amendment includes provisions advanced by Senator BINGAMAN, myself, and others, to provide for a collaborative R&D effort directed by the Department of Transportation with the assistance of the Department of Energy and the National Academy of Sciences.

The amendment would provide for a 3-year authorization, with increased funding for Federal pipeline safety activities, the State grant program, and research and development efforts.

Additionally, the amendment requires operators, in the event of an accident, to make available to the DOT or NTSB all records and information pertaining to the accident and to assist in the investigation to the extent reasonable. It also includes provisions concerning serious accidents that provide for a review to ensure the operator's employees can safely perform their duties. In addition, pipeline employees would be afforded the same whistle-blower protections as are provided to employees in other modes of transportation. These protections are nearly identical to the protections aviation-related employees were granted in the Wendell H. Ford Aviation and Investment Reform Act for the 21st Century, P.L. 106–181.

I want to point out this amendment includes a few minor modifications to the Senate-passed version of S. 235. It extends the authorization period for an additional fiscal year which is necessary to reflect the fact that a year has passed since we considered S. 235. The amendment would fund pipeline safety programs for fiscal years 2003, 2004, and 2005 at $64 million annually.

The amendment also includes two new provisions intended to address pipeline security concerns heightened in the wake of the September 11 attacks. While the pipeline safety provisions were not originally developed as security legislation, I believe it is our duty to address identified security concerns and will certainly consider any security-related proposals brought to our attention in the future by the administration and other interested parties.

In the meantime, the amendment seeks to strike a balance between public access to pipeline information and the need to restrict security sensitive information. It would tie the new information disclosure requirements of the legislation to the existing Freedom of Information Act standards that restrict the release of certain information based on national security and national defense concerns. Again, it would apply current FOIA exemption standards to the public disclosure provisions to protect information critical to national security and defense. As this and other security-related measures continue through the legislative process, I plan to work with my colleagues to ensure the proper handling of security sensitive data within the Federal Government. Security sensitive information must not be released into the wrong hands. This amendment should afford useful protection in the near term.

Finally, the amendment would authorize the Secretary to provide technical assistance to pipeline operators and state and local officials to ensure that they are adequately prepared to respond to terrorist attacks or threats that could impact pipelines.

We must ensure that the Department has the tools it needs to carry out its critical pipeline safety responsibilities, to advance research and development efforts, and to protect pipeline security sensitive data. I urge my colleagues to join with me in demonstrating their strong support for improving pipeline safety by voting for this amendment. I remain hopeful that the Congress will approve pipeline safety legislation before we receive another call to action by another tragic accident.

We have not reauthorized pipeline safety. It is important that we do so. It has lapsed.

We can see by this chart the miles and miles of pipeline that cross America. Many of them are perfectly safe. There are others that clearly need renewed attention and renewed regulations as embodied in this bill. There are 3,000 gas pipeline operators with more than 1.6 million miles of pipeline and 200 hazardous liquid operators with 155,000 miles of pipeline.

I don't like to refer to nor discuss various scenarios for acts of terror, but I think this chart in itself depicts the urgent need for reauthorization of this legislation. Also, it is of interest and value to put a human face on some of these issues and the importance of them.

As I mentioned in my remarks earlier, there was a tragic accident in Bellingham, WA. Two young boys were killed. I will not describe the circumstances of their deaths. It aroused the entire community.

With the assistance of Senator MURRAY and Senator Gorton, hearings were held in Bellingham on this issue, its cause, and what needed to be done. The people, the families, and the mayor of Bellingham came to Washington, DC, to testify before the Commerce Committee.

Senator MURRAY, other Senators, and I made a commitment to the people of that community who were directly impacted by the tragic deaths of these children and to the people of this Nation that we would do everything we could to enact legislation—to act as is our responsibility—to see that there wouldn't be a recurrence of the tragedy and that no other family in America would undergo the agony and pain of the families of Bellingham, WA.

We passed that bill on February 8, 2001. Yet the other body has not acted. I think that is very unfortunate. That is why I feel compelled to come today with this amendment on the energy bill in hopes that it will now either be part of this bill or the other body will act on this very important legislation which not only has to do with spillage of toxic waste, or hazardous materials, or fires, such as just happened yesterday, but which in some cases tragically endangers the lives of our citizens. I know of no greater responsibility than to try to do everything in our power to prevent a recurrence.

I thank the managers of the bill for their consideration of this legislation. I again applaud Senator MURRAY for her tremendous efforts and dedication on this issue—not only the issue but for her sympathy and the concern she showed to the families and the people in that community who were deeply impacted by the accident.

I hope we can do this to fulfill our responsibilities.

I yield the floor.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. MURKOWSKI. Mr. President, I compliment Senator MCCAIN and members of the Commerce Committee for bringing this matter up.

I would like to be added as a cosponsor to the amendment.

As all are aware, Senator MCCAIN's amendment is similar to the one submitted last February. It passed this body by a vote of 98 to 0. I feel quite confident that we can dispose of it favorably. Certainly, Senator MCCAIN and others have been diligent in making sure Congress addresses the issue. Safety is an extremely important component of energy policy.

Senator MCCAIN has indicated the highlights of the legislation. I will not be repetitive.

The pipeline, as we know, provides this country with supplies of oil and natural gas in a very efficient manner. I believe we will hear from the Senator from Washington relative to the tragedy that occurred in Bellingham and New Mexico as well.

But clearly these incidents highlight that some pipelines are aging, and the increased demand for energy is putting more and more pressure on these pipelines. It is appropriate that there be oversight adequate to ensure that wear and tear does not result in tragedies such as we have already seen. The public must have confidence in safety. This legislation will facilitate that.

We are fortunate in this country to have a network of pipelines, as the Senator from Arizona has shown on the map, because it is much more efficient than moving by rail or by truck. I think it enables us to have relatively abundant and inexpensive energy in the manner in which we move it. No other country has a network as efficient as the United States as far as pipeline transfer of energy is concerned. But we cannot become complacent. We must improve the safety of these pipelines.

I certainly welcome the changes to existing law made by the legislation that will improve the overall safety of the pipelines. When this legislation is enacted, it will be the strongest and most comprehensive safety measure ever approved by Congress. At the same time, it will avoid responses that would lead to a lack of investment in pipelines without any measure to improve safety.

I think we can all agree, given our a reliance on energy in our everyday lives, that we recognize the significance of this legislation and the contribution it is going to make of ensuring the confidence of the American people that indeed the pipeline network is safe. Accordingly, I urge the Senate to agree to this amendment.

Mr. President, I am going to offer a second degree amendment, which I understand has been circulated.

The PRESIDING OFFICER. The Senator from Alaska.

AMENDMENT NO. 2988 TO AMENDMENT NO. 2979

Mr. MURKOWSKI. Let me outline the necessity of the second-degree amendment.

We have a unique situation in Alaska with the 800-mile Trans-Alaska Pipeline which moves about 20 percent of the total crude oil produced in this country but is not protected in the sense of the pipeline safety act because our pipeline is completely within the State's borders. I am not going to argue with those who have analyzed this. But clearly our rivers are in interstate commerce. The fish in the rivers are in interstate commerce. But even though our pipeline goes basically from the Arctic Ocean to the Pacific Ocean it apparently may not be protected under the criminal penalties of the pipeline safety act.

As a consequence, the amendment I am about to offer includes intrastate pipelines that transport gas in interstate commerce within the criminal penalty section of the pipeline safety act that currently only protects interstate pipelines.

An incident occurred in my State of Alaska last fall where an individual fired a weapon and hit the 800-mile Trans-Alaska Pipeline.

The evidence indicates that perhaps the individual fired approximately 5 or 6 shots. Ordinarily, we are told, the steel in a pipeline is such that it is

very unlikely there could be a penetration by a bullet more than the circumference of the bullet, and very doubtful if that.

It is interesting to note the history of that pipeline. It has been bombed. It has had dynamite wrapped around it. And it has been shot at, and finally an individual did penetrate the surface of the pipeline with a bullet.

Now, the defendant was allegedly intoxicated at the time, so we really do not know how many times he shot at it or whether he kept moving up closer until he hit it. But despite the importance of the contribution of the pipeline to the Nation's flow of oil—as I have indicated, once contributing 25 percent, and now it is at about 20 percent; it has a capacity unused of a million barrels a day—we were unable to prosecute due to the loopholes in Federal law. Instead, the State prosecuted the individual for the wrongdoing.

We believe there is no reason the Federal Government should not have been able to prosecute this crime since it involved infrastructure that is so important to our Nation's energy. This amendment closes that loophole in the Pipeline Safety Act and ensures that the Federal Government will be able to prosecute such cases in the future. It assures that both natural gas pipeline facilities and hazardous liquid pipeline facilities that are intrastate are protected as well.

It will protect those facilities even if the facility is within the confines of one individual State's borders, as long as the pipeline is used in interstate or foreign commerce or in any activity affecting interstate or foreign commerce. I think this is important because even though some pipelines may be confined to one State, such as ours, the Trans-Alaska Pipeline, they certainly affect interstate commerce.

The amendment will enable the Federal Government to prosecute individuals who threaten infrastructure which is integral to the transportation of important energy resources throughout our country. And I think from the standpoint of our State of Alaska, it relieves some of the responsibility on our State troopers in recognizing, indeed, this would be considered a Federal responsibility as well.

So, Mr. President, I send to the desk a second-degree amendment to the McCain amendment.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Alaska [Mr. MURKOWSKI] proposes an amendment numbered 2988 to amendment No. 2979.

Mr. MURKOWSKI. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following:

SEC. . CRIMINAL PENALTIES FOR DAMAGING OR DESTROYING A FACILITY.

Section 60123(b) of title 49, United States code, is amended—

(1) by striking ''or'' after ''gas pipeline facility'' and inserting a comma; and

(2) by inserting after ''liquid pipeline facility'' the following: '', or either an intrastate gas pipeline facility or an intrastate hazardous liquid pipeline facility that is used in interstate or foreign commerce or in any activity affecting interstate or foreign commerce''.

Mr. MURKOWSKI. Mr. President, my understanding is that the floor manager has indicated we would have a vote on this at some point. I do not need a rollcall vote on my second degree. I would leave it up to the Senator from Arizona to determine his intent for a vote on his underlying amendment.

Mr. MCCAIN. If the Senator will yield, I am told it is the preference of the majority leader that a vote would be set for sometime tomorrow morning.

Mr. REID. Mr. President, if my friend will yield, I have spoken to the Senator from Arizona. He has agreed to accept a vote on this in the morning. We believe that even though this vote will, I think, be overwhelmingly in support for the McCain amendment, we need to send a strong message to the House, so we want a rollcall vote on this. So the plan is to work on this as long as anyone else wants to speak on it.

It is my understanding the Senator from New Mexico will accept the second-degree amendment of the Senator from Alaska and that we will then have other people speak on the McCain amendment. When that is completed, the Senator from California will offer an amendment. We will not complete the amendment of the Senator from California because the Senator from Texas and others wish to speak on that. However, there is another amendment that the Senator from New Mexico is going to offer later today.

We would vote first on the McCain amendment in the morning, probably at about a quarter to 10, and then we would vote, subsequent to that, on the amendment of the Senator from New Mexico. But we have to work this out. The majority leader knows about this, but not the details. We will confirm that with him and the minority leader at a subsequent time.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, I think this is a good second-degree amendment. I suggest we go ahead and adopt it at this point, and then, as the Senator from Nevada indicated, have the scheduled vote on the McCain amendment tomorrow.

I know Senator MURRAY from Washington is waiting to speak on the McCain amendment, as is Senator BREAUX from Louisiana.

Mr. MURKOWSKI. Mr. President, I would like to discuss with my colleagues an issue that relates to pipeline safety. I am concerned about an incident that occurred in Alaska last fall. The Senator may recall hearing in the news about an individual who fired a weapon and hit the Trans-Alaska Pipeline.

Mr. MCCAINE. I do recall hearing about that incident.

Mr. HOLLINGS. I remember reading about the incident as well.

Mr. MURKOWSKI. Well, the individual was allegedly intoxicated when the Trans-Alaska Pipeline was damaged. Unfortunately, the U.S. Attorney's Office was unable to prosecute the individual for damaging the line due to some loopholes in the Federal law. One of those loopholes will be closed by my amendment to pipeline safety that includes intrastate pipelines that transport gas in interstate commerce within the criminal laws that currently only protect interstate pipelines. However, there was another problem with the case. The defendant was allegedly intoxicated at the time, and the statute requires proof that he ''knowingly and willfully'' damaged the pipeline pursuant to Section 60123(b) of title 49, United States Code. Therefore, due to this higher standard of intent, known as specific intent, it appears that he had a diminished capacity defense. It does not seem that this type of vandalism crime should be held to such a standard.

Mr. MCCAIN. I understand the Senator's concern but also know that if we lower the intent standard in Section 60123(b) of title 49, we want to ensure that a person cannot be held criminally liable for negligence.

Mr. MURKOWSKI. I understand that concern as well and certainly do not want someone criminally prosecuted unless there was intent. I was wondering if the Senator would agree to work with me to see if we can find a compromise that would address the intent issue.

Mr. MCCAIN. I would be happy to work with the Senator on the issue.

Mr. HOLLINGS. I would be interested in working on it as well.

Mr. BINGAMAN. I understand the concerns of the issue also and would agree to work with all Senators to see if we can address this intent issue prior to the end of consideration of energy legislation.

Mr. DOMENICI. Mr. President, I am pleased to co-sponsor an amendment to modernize our nation's pipeline safety programs. As you know, the Senate passed this legislation on February 8th of last year, by a vote of 98–0. Because it has not yet been acted on in the House, I am pleased to see that we are working to get this important legislation enacted in another way.

As we all remember, the issue of our country's pipeline safety came to the forefront after tragic explosions in Bellingham, Washington, and later, in my own state of New Mexico.

On August 19, 2000, twelve members of an extended family were on a camping and fishing trip along the Pecos River near Carlsbad, New Mexico. Just after midnight, a natural gas pipeline exploded, sending a 350 foot high ball of flame into the air. Six of the campers died instantly. The six remaining family members later died from their horrific injuries.

We have to make sure that tragedies like this do not occur again. What I am here to do today, is to work so that we don't have to think twice before camping with our families and friends.

Pipelines carry almost all of the natural gas and 65 percent of the crude oil and refined oil products. Three primary types of pipelines form a network of nearly 2.2 million miles, 7,000 of which lie in my own state of New Mexico.

Pipelines stretch across our country. They allow us to obtain energy resources quickly and economically.

In light of the energy crisis in California, and in the west in general, the value of our nation's pipeline system is obvious. We must have access to energy.

Therefore, pipelines and the potential hazards they pose affect us all. It is time that we do something to ensure our safety while protecting our access to energy.

This amendment:

Significantly increases States' role in oversight, inspection, and investigation of pipelines.

Improves and expands the public's right to know about pipeline hazards.

Dramatically increases civil penalties for safety and reporting violations.

Increases reporting requirements of releases of hazardous liquids from 50 barrels to five gallons.

Provides important whistle blower protections prohibiting discrimination by pipeline operators, contractors or subcontractors.

Furthermore, the legislation would provide much needed funding for research and development in pipeline safety technologies.

In fact, technology currently exists that might have detected weaknesses in pipelines around Carlsbad. Unfortunately, due to insufficient funding those products have yet to reach the market.

La Sen Corporation in my own state of New Mexico has developed technology that can detect faulty pipelines where current pipeline inspection technology is not usable. La Sen's Electronic Mapping System can be very effective even in pipelines where conventional pig devices cannot be used.

Pipeline inspection is costly and slow. Innovative new technologies could allow us to inspect all 2.2 million miles of pipeline each year in a cost effective manner. Today, pipeline inspection technology only covers 5–10 miles per day at a cost of $50 per mile. Again, La Sen's technology can survey 500 miles per day at a cost of $32 per mile.

The bottom line is that today, we can take action that will hopefully make pipelines safer.

I encourage my colleagues to recognize the potential dangers that pipelines pose and to minimize those dangers by agreeing to this amendment.

The PRESIDING OFFICER. Is there further debate on the second-degree amendment No. 2988?

Mr. MURKOWSKI. Mr. President, I urge adoption of the amendment.

The PRESIDING OFFICER. If not, the question is one agreeing to the amendment.

The amendment (No. 2988) was agreed to.

Mr. MURKOWSKI. I thank the chairman and the Presiding Officer.

The PRESIDING OFFICER. The Senator from Washington.

AMENDMENT NO. 2979

Mrs. MURRAY. Mr. President, I rise today in strong support of this amendment. I take this opportunity to thank the Senator from Arizona, Mr. MCCAIN, for his leadership, his perseverance, and his tremendous work on the issue of pipeline safety.

As he said, many of us became aware of this issue on June 10, 1999, when a gasoline pipeline ruptured in my home State of Washington, killing three young people and really shattering our sense of security.

The Senator from Arizona was tremendous in his work with us as we brought that family here to Washington, DC. As he stated, the community, the mayor, so many people came here. His commitment to follow through with hearings and legislation, and to pass it out of the Senate, has just been really noted and respected in the State of Washington. And like he, I have difficulty standing here and speaking to those families today and telling them the House has still not acted, which is why we are on the floor of the Senate during the energy debate, once again, passing this legislation.

As I said, when that tragedy happened, I discovered that there were inadequate laws, insufficient oversight and inspection, and a real lack of public awareness about the dangers of these pipelines. So I began to work on a national effort to raise pipeline safety standards. I testified before Congress, and I introduced the first pipeline safety bill in the 106th Congress.

As the Senator from Arizona said, we passed legislation in the Senate in September of 2000, and again in February of 2001; and those bills passed without dissent, on a bipartisan basis, with leadership from both sides.

I am proud to have worked with several Senators, including Senators HOLLINGS, INOUYE, BREAUX, WYDEN, BROWNBACK, BINGAMAN, DOMENICI, CORZINE, TORRICELLI, and my colleague, Senator CANTWELL, in this Congress, and my colleague in the previous Congress, Senator Gorton.

But, again, I especially thank Senator MCCAIN for his work on pipeline safety. I have to say that without his attention to this issue over the last several years, I really doubt we would have accomplished what we have so far. I know that all of the advocates and I appreciate Senator MCCAIN's leadership on this issue, and I am looking forward to continuing to work with him on this and many other critical safety issues before us.

The bill that the Senate passed was the strongest pipeline safety bill ever passed by either body of Congress. It improves the qualification and training of pipeline personnel. It improves pipeline inspections and prevention practices. It expands the public's right to know. It raises the penalties for safety violators. It increases the States' ability to expand their safety activities. It invests in new technology to improve pipeline safety. It provides whistleblower protection. It increases funding to improve pipeline safety. And it recognizes State citizen advisory committees.

Despite the Senate's quick, measured, and deliberate work on this issue, as I stated, and as the Senator from Arizona said, the House of Representatives has blocked progress on this initiative. A couple of weeks ago, the House finally held a hearing on pipeline safety; and that was the first one that was held in 2 years on this issue. I understand they intend to move to a markup very soon, and that is encouraging. I am also encouraged that House Members from the Washington delegation, especially Representative RICK LARSEN, are working really hard to make progress on this issue.

I have to say, unfortunately, that the bill they intend to mark up excludes many of the important safety measures we put into the Senate bill, including strong inspection and testing requirements and adequate operator qualification standards. So overall I remain skeptical that the House will eventually pass a comprehensive bill, and that is why I am especially pleased that Senator MCCAIN has introduced this amendment. I am here to support that effort.

The amendment before us is nearly identical to the bill that has passed the Senate unanimously 2 years in a row. We did, however, make a needed change for national security purposes. September 11 has shown us that our transportation infrastructure is vulnerable to attack by terrorists, so we included a provision that would give the Secretary of Transportation the discretion to withhold public information about pipelines if the Secretary believed it would compromise national security. The standard would be the same as the current one used under the Freedom of Information Act.

I am very proud to cosponsor this amendment. We all know if we want meaningful legislation to move on to the President, it will have to be attached to a piece of legislation such as the energy bill. The history of this legislation in the House requires that we proceed in this manner.

In addition to working on this bill, I am also using my position as chair of the Senate Transportation Appropriations Subcommittee to keep the pressure up and to secure the funding we need to hire inspectors, to enforce safety regulations, and to support the States with their efforts. I have held several hearings in Washington, DC, and I have questioned the Transportation Secretary and others about our progress on pipeline safety. I have met

with the new head of the office that oversees pipeline safety at the Department of Transportation, and I told her exactly what I expect the department to do to improve pipeline safety. I have not hesitated to push the department to issue new pipeline safety rules and regulations.

In my position as chair of the Senate Transportation Appropriations Subcommittee, I worked to pass a bill that provides record funding for the Office of Pipeline Safety. Overall it provides more than $58 million for that office. That is $11 million more than the fiscal year 2001 funding level. That budget included funding for 26 new staff positions, from safety inspectors to researchers. OPS requested those positions, and my bill fully funds those new hires.

Finally, it provides needed resources within OPS for critical testing, safety programs, and R&D. I plan to continue to work in the Appropriations Committee to make sure the funding is there to do the adequate testing and oversight of our pipeline infrastructure.

When it comes to pipeline safety, we have taken a major step forward, especially in funding, but we still have to raise the standards nationally with legislation.

I urge my colleagues to support our efforts to move this critical legislation forward to the President for his signature. From Carlsbad, NM, to Bellingham, WA, communities across this country are counting on us to protect them.

I yield the floor.

Ms. CANTWELL. Mr. President, I rise in support of the amendment and would like to take a few minutes to describe why this is so important.

I have stood on this floor before and described an incident that occurred in my State just 3 years ago. In a park near Bellingham, WA, an aging pipeline burst, sending a blast of flames that engulfed two 10-year-old boys. Both of those boys died in that blast and one young man drowned after being overcome by fumes. But that incident wasn't the first, nor the last. This was only one of numerous pipeline accidents in the State of Washington, which has suffered 47 reported incidents and more than $10 million in property damage in just the 15 years from 1984 to 1999.

I would like to think that many of those accidents could have been prevented if the agency responsible for regulating that industry had been more diligent. This week we begin a substantial debate about increasing the domestic supply of affordable energy, but a significant part of that debate hinges on the integrity and reliability of our Nation's energy infrastructure. And that debate must not overlook the critical importance of our citizens' safety as we work to secure and transport increasingly larger amounts of these resources. For many of us in this body, the issue of safety has hit close to home. We have seen the loss of human life; the devastation to families and communities; and the significant property damage associated with mismanagement of our pipeline infrastructure. But this is not simply about the personal tragedies in our states.

The tremendous efforts to finally pass this legislation—by the sponsor of the pipeline safety bill, Senator MCCAIN, Senator HOLLINGS, my colleague Senator MURRAY, and so many others—are based on a continuing pattern of oversight failures by the Office of Pipeline Safety. Many of my colleagues have already referenced the June 2000 report by the GAO, which found persistent failures by OPS to implement congressional mandates. That report indicated that in 22 of 49 cases, OPS ignored congressional direction and failed to follow statutory requirements. And since 1990, our Nation has suffered literally hundreds of pipeline-related deaths. Now, we have more than 2.2 million miles of pipelines traversing this nation, carrying almost all of the natural gas and 65 percent of the crude oil and refined oil products. Obviously, we don't want to hinder the effective transportation of these products that are so critical to our national economy. But we can and must do a better job of ensuring the public safety.

My colleague Senator MURRAY has been instrumental in the ongoing efforts to improve the public disclosure of pipeline information. Obviously we need to employ common sense in restricting access to information that poses a real national security threat to our communities and our nation—but I believe that we must apply the highest standards in assessing those security risks and providing the most complete information possible to our public safety officials and to the public at large, so that they can take steps to protect their own communities from potential disasters.

This amendment seeks to balance these equally important objectives—security and public disclosure—that are both intended to enhance the public safety. I am also pleased that this amendment maintains a critical provision that I had worked to pass along with my colleagues, Senator CORZINE, Senator TORRICELLI, and Senator MURRAY, which would ensure the assessments of nearly all pipeline systems at least once every 5 years. This is an issue of tremendous importance if we are going to make real strides in prevention of accidents. If we do not know the fundamental state of integrity of these systems and facilities, we cannot identify real threats to our communities. We passed this legislation by a wide margin last year and the other body has failed to finish the job. I urge my colleagues to join me in supporting this amendment and finally getting the job done to better protect our constituents, and better protect our fuel supply.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. BREAUX. Mr. President, I join my colleagues in supporting the legislation and amendment pending before the Senate. This will be the third time the Senate has passed this legislation. You would think that eventually it is going to get done. It has failed to pass the House, although the House at one point had an identical provision and it passed. It passed with a majority, but they took it up under suspension of the rules, and they needed two-thirds majority, so it did not pass.

This legislation will now pass the Senate for a third time and is still waiting on the House to take action on it, which will send it ultimately to the President for his signature.

There are literally millions and millions of gas and hazardous liquid pipelines that cover the United States. Every State has natural gas pipelines and oil pipelines that traverse through various parts of individual States and carry literally billions and billions of cubic feet of natural gas every day, 24 hours a day, 7 days a week, 365 days out of the year.

Gas comes from my State of Louisiana, from the Gulf of Mexico. It goes to California. It goes to Florida, to Maine, to New Jersey. It goes all the way up to the Midwest and throughout the United States. We have gas coming from the north that serves markets in the southern lower 48. This is an intricate pattern, a complicated transportation system that is absolutely needed and necessary. Without the extent of the natural gas pipeline system, this country would simply not be able to operate.

It provides energy for plants. It provides energy for factories. It provides heat and also cooling elements to family homes, to businesses, to offices throughout the United States. This, indeed, is one of the most sophisticated, complicated systems that man has ever devised in order to transport energy.

Is there potential and likely sometimes accidents that happen? The answer is yes. There were two tragic accidents—one in the State of Senator MURRAY, Washington, one in the State of Senator BINGAMAN, New Mexico—that were tragic and unfortunate. They should never have happened. But if you look at it from the perspective of the millions and millions of miles of the transportation system, with the good that it provides, it is absolutely clear that these systems must be protected.

We need to do a better job of ensuring their safety and security, their protection from normal accidents, as well as insulate them to the maximum extent possible from terrorist activities and even from deranged activities such as of the drunk shooting out the Alaskan pipeline in the State of Senators STEVENS and MURKOWSKI. We can do that.

There is not a form of transportation in this country that does not have accidents that happen: Airplanes crash; trains run off tracks; trucks run off highways; accidents happen; people are injured; people are killed.

The answer is not to eliminate the system but to better ensure the security of the systems, to build better trucks, to better investigate the drivers, to better inspect their licenses, to build better airplanes, to correct deficiencies in airplanes, to require better training for pilots.

As we do those things for those other means of transportation, it is also incumbent that we provide better and adequate inspections and guarantee that pipelines are built to the highest standards possible from an engineering and technical capability, and also that people are involved in the decisions as to where pipelines are actually built and where they are laid in order to let the public know what is near them in order for them to be aware.

It is interesting to note that pipelines are things you never see. Every day, every hour, every minute they are providing efficiency in terms of transportation of energy. Pipelines are buried under the sea, under the ground. People don't see them. They don't know they are there. But they are there to do a very effective job to provide for the security of this country.

This legislation will also provide for better security and better safety for the general public to make sure that while we are transporting billions and billions of cubic feet of natural gas, we are also doing it as safely as we possibly can.

Previous speakers have talked about the structure of the legislation. I support it. It is good legislation. It has brought both the pipeline companies, as well as citizens, to the same table to negotiate with government officials to get a system in place that we can be proud of and will assure the system continues to work as it has in the past with the maximum degree of safety that is humanly possible. This legislation goes a long way toward doing that.

This is the third time the Senate will pass this legislation. We urge our colleagues in the other body to do it just once.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. I know the Senator from California is here to offer her amendment. Before we set this amendment aside, let me speak briefly about it.

It is very important that we pass the McCain amendment once again to make the point to the House of Representatives that this is a priority for our Nation and this is vitally needed legislation.

In my State, we lost 12 people as a result of a tragic breach or break in a high-pressure gas pipeline south of Carlsbad, NM. I visited the site. I saw the tremendous damage that was done when that pipeline broke without any warning and essentially killed a great many people who were there camping beside the Pecos River. This is a tragedy that should have been enough to galvanize action in Washington. When you add it to the other tragedy, which has been talked about here several times, in Washington State, it is clear to me this is legislation that should be passed quickly and moved to the President for signature.

I very much hope, when we vote tomorrow on the McCain amendment, there will be a resounding vote, as there has been in the past, and that we will finally get the House of Representatives to give attention to this issue and to pass it quickly.

As I understand it, at this point it is the desire of the Senator from California to offer an amendment. I ask unanimous consent that the pending amendment be set aside so that she may offer her amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2989 TO AMENDMENT NO. 2917

Mrs. FEINSTEIN. Mr. President, I rise to introduce an amendment on behalf of Senators CANTWELL, WYDEN, BOXER, LEAHY, and DURBIN to provide price transparency when energy derivatives are traded and to give the Commodity Futures Trading Commission oversight authority for such transactions. Let me set the framework for this amendment.

I send the amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from California [Mrs. FEINSTEIN], for herself, Ms. CANTWELL, Mr. WYDEN, Mrs. BOXER, Mr. LEAHY, and Mr. DURBIN, proposes an amendment numbered 2989 to amendment No. 2917.

Mrs. FEINSTEIN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under ''Amendment, Submitted.'')

Mrs. FEINSTEIN. Mr. President, I will quote from a March 5 letter of the American Public Gas Association by its president, out of Fairfax, VA:

As you know, Enron operated in what was essentially an unregulated environment. While there will be much more to come in the wake of Enron, one thing is perfectly clear today—our Federal Government has an obligation to make sure that no important trading activities fall between the cracks, leaving some energy markets without a Federal agency with oversight authority. Your amendment remedies this glaring deficiency.

The American Public Gas Association is fully committed to support our effort to reverse the action Congress took just 15 months ago in the Commodities Futures Modernization Act. The Commodities Futures Modernization Act amended the Commodity Exchange Act by allowing some energy contracts to be traded with no Government oversight. We firmly believe that the CFTC must have at its disposal the necessary jurisdiction and authority to protect the operational integrity of energy markets so that (1) transactions are executed fairly, (2) proper disclosures are made to customers, and (3) fraudulent and manipulative practices are not tolerated.

I ask unanimous consent that the full letter be printed in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See Exhibit 1.)

Mrs. FEINSTEIN. Let me also quote from the Texas Independent Producers and Royalty Owners Association:

[This association] believes that this measure will tend to improve price transparency in natural gas markets, leading to a more efficient and stable marketplace. The relatively modest requirements outlined above should not unduly reduce liquidity for gas traders. Accordingly, TIPRO endorses your amendment.

I ask unanimous consent that that be printed in the RECORD following my statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See Exhibit 2.)

Mrs. FEINSTEIN. This letter is from the MidAmerican Energy Holdings Company out of Omaha, NE:

I am writing in support of your effort to ensure that there is transparency and appropriate Federal oversight of energies futures trading markets.

As I testified before the Senate Energy and Natural Resources Committee last month—

This is the chairman and CEO—

I have long been concerned that the type of exchange run by Enron before its collapse offered opportunities for manipulation. Enron was the largest buyer, the largest seller and operator of an unregulated exchange. In view of the revelations of the last several months regarding Enron, the unregulated nature of these markets has raised serious concerns regarding the ability of the Federal Government to ensure that energy trading and futures markets are operating in the interest of the public and market participants.

I ask unanimous consent that this letter, and also a similar letter from PG&E, be printed in the RECORD at the end of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See Exhibit 3.)

Mrs. FEINSTEIN. Mr. President, this amendment would provide the same transparency and oversight that is provided for every other traded tangible commodity. All this amendment says is that electronic exchanges which change energy derivatives are subject to the same requirements as other exchanges, such as the Chicago Mercantile Exchange and the New York Mercantile Exchange. Incidentally, these two organizations support this legislation.

Additionally, it says that if you are trading energy derivatives off an exchange, you simply need to keep a record of that transaction; and if it turns out that there is a complaint, the CFTC will have a record to review.

The problem, and why we need the legislation: Presently, energy transactions are regulated by the FERC, Federal Energy Regulatory Commission, when there is an actual delivery of an energy commodity. Let me give you an example. If I buy gas from you and you deliver that natural gas to me, FERC has the authority to ensure that

this transaction is both transparent and reasonably priced. That is a direct delivery. However, energy transactions have gotten so complex over just the past decade, most energy transactions no longer result in delivery; thus, with these nondelivery trades and transactions, a giant loophole has opened, where there is no oversight and no transparency.

Let me explain. Mr. President, I can purchase from you a promise that you will deliver natural gas to me at some point in the future. This is referred to as a derivatives contract. I may never really need to physically own that gas, so I can sell that gas to someone at a small profit, who can then turn around and sell it to yet someone else, and so on and so forth. This promise of a gas delivery can literally change hands dozens of times before the commodity is ever delivered. Even then, it may never get delivered if the spot market price is lower than the future price that comes due on that day.

In fact, 90 percent of energy trades represent purely financial transactions, not regulated either by FERC or the Commodity Futures Trading Commission. As long as there is no delivery, there is no price transparency. So we don't know the price or the terms for 90 percent of the energy transactions taking place.

Again, this lack of transparency and oversight only applies to energy. It does not apply if you are selling wheat, or pork bellies, or any other tangible commodity. So, as I said, there is a very big loophole here.

Why is this type of trading so important? Many of these transactions provide needed insurance so a company can lock in set prices in the future without necessarily ever having to receive delivery. For example, knowing the price of natural gas in the future allows an energy company to, in turn, contract out its electricity, since it will know the price of natural gas, the main cost of production.

These transactions are here to stay. What this amendment simply does is shed light on them. Futures transactions do affect market prices for consumers, and that is why we need this transparency. That is precisely why other commodities, except for excluded financial commodities, are already regulated by the CFTC.

One simple example of how energy derivatives can affect delivered energy prices is the long-term energy electricity contracts that California and other Western States entered into last year, which were priced according to the long-term future costs for natural gas. As soon as the future price of natural gas plummeted after the contracts had been signed, electricity prices fell substantially. All of a sudden, these States looked foolish for signing these contracts.

How did this happen? How did it come up all of a sudden? The simple answer is that the Commodity Futures Modernization Act, signed into law in 2000, exempted energy and minerals trading from regulatory oversight and also exempted electronic trading platforms from oversight.

In a sense, what that legislation did was set up two different systems treating electronic trading platforms differently from all other platforms and treating energy commodities differently from other commodities.

Up until 2000, energy derivative transactions were regulated just like other transactions, and electronic trading platforms were treated like other platforms. I repeat, these were the standards that were in place all the way up to 2000.

Up until that time, if a gas or electricity commodity was delivered, FERC had oversight. If there was not delivery, the CFTC had the authority. So the loophole arose just 2 years ago.

At the time of the 2000 legislation, nobody knew how the exemptions would affect the energy market. We have a much better idea today because of what we have learned since then.

It did not take long for Enron Online and others in the energy sector to take advantage of this new freedom by trading energy derivatives absent any regulatory oversight or transparency. Thus, after the 2000 legislation was enacted, Enron Online began to trade energy derivatives—not deliveries, but derivatives—bilaterally over the counter in a one-to-one transaction without being subject to any regulatory oversight whatsoever. If the trade has delivery, again, it is regulated by FERC. If it does not, it falls into the abyss. Enron Online was able to trade back and forth without records and in secret. The result, of course, was higher prices.

Let me give an example of how that secret trading has affected California and the western energy markets.

On December 12, 2000, the price of natural gas in southern California on the spot market was $50 a decatherm, while it was $10 a decatherm close by in San Juan, NM. A decatherm is 1,000 cubic feet or enough gas to power about 100 kilowatt hours of electricity for a typical powerplant. It is enough gas to provide electricity for about 900 homes for 1 hour.

This problem lasted from November of 2000 to the end of April 2001—a full 6 months—while energy price spikes affected the entire western energy market. And all this time, hardly anyone understood what was happening in nondelivered energy transactions.

In 1999, California's total electricity price for the entire State was $7 billion. In 2000, it was $27 billion, and in 2001, it was $26.7 billion. You can see there are serious ramifications when markets are secret without any Federal oversight or investigation of dramatic price spikes. You cannot investigate it because there is no evidence because all this trading was done in secret with no records.

The Senate Energy Committee, of which I am a member, examined this issue last year, but we were not able to piece together the pieces at that time. In the wake of Enron's bankruptcy, we are beginning to learn a lot more. By controlling a significant number of energy transactions affecting California, and by trading in secret, Enron had the unique opportunity to drive up prices. Only time will tell whether that can be proved because of the absence of records and transparency.

Let me explain how this amendment works. First, the bill repeals the provisions of the 2000 Commodity Futures Modernization Act which exempted energy derivatives from regulatory oversight. As I said before, these transactions were regulated by the CFTC until 2000, so this is not an entirely new authority for the CFTC.

As a result of this provision, all electronic trading exchanges will once again be subjected to the same oversight as other exchanges when it comes to energy transactions.

Companies trading energy commodities off the exchange will simply have to keep a record of that transaction, just as they do for other traded commodities. That is certainly not too much to ask.

The amendment also requires FERC and the CFTC to work together to ensure that energy trading markets are, one, transparent, not in secret; two, regulated, which they should be; and three, working.

This will close the regulatory loopholes that allowed entities, such as Enron Online, to operate unregulated trading markets in secret.

I have received a letter from Pat Wood, the Chairman of FERC. Chairman Wood writes that neither FERC nor CFTC has adequate authority to determine price transparency and ensure that the energy market is functioning as it should. He supports this amendment. FERC Commissioners Brownell and Massey do as well.

This amendment does one more important thing. It ensures that entities running online trading forums must maintain sufficient capital to carry out their operations and maintain open books and records for investigation and enforcement purposes.

This last point is very important. Enron saw its future as a ''virtual'' company. As such, it sold off many of its physical assets over the past few years. So when investors and customers lost confidence and stopped trading out of fear that bankruptcy was in the offing, they learned that Enron had no collateral to back up these trades, and this was a major factor in Enron's final spiral into bankruptcy.

Who is supporting this bill? The New York Mercantile Exchange, the Chicago Mercantile Exchange, Cambridge Energy Research Associates who asked for just this, the American Public Gas Association, the American Public Power Association, Pacific Gas & Electric, Calpine, Mid-America Energy Holding Company, Texas Independent Producers and Royalty Association,

the Consumers Union, and the Consumer Federation of America, all because they believe the time has come to see there are no trading markets in secret that do not keep records, and to shine the light of day on these trades.

Now, who is opposed to the amendment? Some energy companies oppose this bill. One lesson some of these companies seem to have learned from the recent energy crisis was they make more money when they can operate without any transparency, in secret, without any reporting requirements or oversight of any kind, and that cannot continue to exist.

I am very much encouraged that not all energy companies want to operate this way. As I mentioned, PG&E, Calpine, Apache, Mid-America Energy, and others support this bill, and many other energy companies are sitting on the sidelines waiting to see what may happen.

There are still some who fail to recognize the glory days of operating in secret are over. Regardless of what happens with this amendment, I want to go on record saying I will do everything in my power to see the energy sector is exposed to the same price transparency and oversight as every other sector of our economy. Make no mistake, this debate boils down to the issue of whether energy companies should be able to operate in continued secrecy.

Some of these companies have argued this amendment creates unfair reporting and oversight over energy companies. So let us again look at what this provision would do. It would treat electronic trading exchanges like any other exchange since, as I said before, there is neither price transparency nor regulatory authority over those exchanges where there is not a direct delivery. So with this provision, the same reporting requirements that CFTC requires of the New York Mercantile Exchange and the Chicago Exchange would now be required of electronic exchanges. This means simply that CFTC would be able to assert the same oversight and require the same transparency of electronic exchanges that are already required of nonelectronic exchanges.

I have a very hard time understanding why this is so burdensome and unfair. Additionally, some of these companies have also asserted this amendment would create unfair burdens on companies engaged in bilateral transactions. Here is what they are complaining about: With our amendment, any entity engaging in bilateral transactions in energy commodities would have to keep a record of those transactions, and the CFTC would have the authority to look for fraud and manipulation.

Again, let me repeat, a company engaged in bilateral trading has to keep a record of that transaction, and the CFTC has the authority to investigate fraud. That is it. It is the same authority that was there before 2000 and the same standard that traders of all other commodities are required to meet.

So with all we now know about the energy sector and Enron, I challenge anyone to explain to me why energy companies should continue to have a loophole so they can trade in secret, not keep any records, and therefore there is no evidence that can be proven as to manipulation of price. The day has come to close that loophole.

I note one of the main original cosponsors is in the Chamber and wishes to speak to this amendment. I have had the pleasure of working with the Senator from Oregon on the Energy Committee, as I have with the Presiding Officer. The Senator from Oregon has been a leader and very focused on this issue. I want to thank him for his help, and I ask the Chair recognize him.

EXHIBIT 1

AMERICAN PUBLIC GAS ASSOCIATION,
Fairfax, VA, March 5, 2002.

Hon. DIANNE FEINSTEIN,
Hart Senate Office Building,
U.S. Senate, Washington, DC.

DEAR SENATOR FEINSTEIN: The American Public Gas Association (APGA) is very pleased that you have taken the lead to amend the Commodity Exchange Act (CEA). Your revisions to S. 517, which amends the CEA, brings the trading of energy products, including natural gas spot and forward prices, under the appropriate jurisdiction of the Commodity Futures Trading Commission (CFTC). As a result, your amendment will reduce the various risks imposed on consumers by a partially unregulated energy trading market.

As you know, Enron operated in what was essentially an unregulated environment. While there will be much more to come in the wake of Enron, one thing is perfectly clear today—our federal government has an obligation to make sure that no important trading activities fall between the cracks leaving some energy markets without a federal agency with oversight authority. Your amendment remedies this glaring deficiency.

APGA is fully committed to support your effort to reverse the action Congress took just 15 months ago in the Commodities Futures Modernization Act (CFMA). The CFMA amended the CEA by allowing some energy contracts to be traded with no government oversight. We firmly believe that the CFTC must have at its disposal the necessary jurisdiction and authority to protect the operational integrity of energy markets so that (1) transactions are executed fairly, (2) proper disclosures are made to customers, and (3) fraudulent and manipulative practices are not tolerated.

In December of 2000, when the CFMA was under consideration in the Senate, APGA submitted a Statement for the Record to the U.S. Senate Committee on Energy and Natural Resources during a hearing on the ''Status of Natural Gas Markets.'' In the statement, we expressed a concern that the proposed legislation would codify an exemption for energy commodity transactions that would shield those energy transactions from the oversight and review of the CFTC. Enron took advantage of this gap in regulatory oversight. Your amendment will close that gap. Consumers across the country will benefit from your efforts because they are less likely to be victimized by activities that occur in a market where the CFTC exercises oversight.

Again, public gas utilities and the hundreds of communities that we serve commend you for your thoughtful and deliberate leadership on this very important issue. While there may be some who will oppose this amendment, one need not look far to see whether the opposition is looking out for the best interests of Wall Street or Main Street. We pledge to work with you in any way we can to pass this much-needed amendment. Please let me know how I can assist you.

Sincerely,

BOB CAVE,
President.

EXHIBIT 2

TEXAS INDEPENDENT PRODUCERS & ROYALTY OWNERS ASSOCIATION,
Austin, TX., March 6, 2002.

Hon. DIANNE FEINSTEIN,
U.S. Senate, Hart Senate Office Building, Washington, DC.

DEAR SENATOR FEINSTEIN: We understand that later today, you will introduce an important measure designed to bring greater transparency to natural gas markets. We believe that improved transparency will reduce price-markups charged in transactions that take place after natural gas leaves the wellhead and before it reaches the burner tip. Thus your measure will benefit both consumers and producers. We support the modified version of S. 1951 that you intend to offer as an amendment to the Senate Energy Bill.

We understand that the amendment:

(1) will not grant any price control authority under the Federal Power Act or Natural Gas Act;

(2) will continue to allow energy commodities (actually all commodities other than agricultural commodities) to be traded on electronic trading facilities that currently qualify as exempt commercial markets, provided that the trading facilities register, meet net capital requirements, file reports, and maintain books and records;

(3) will require participants in such markets to maintain books and records; and

(4) will apply these requirements to electronic trading facilities which permit execution with multiple parties and non-binding bids and offers, and will require books and records to be kept by participants in facilities that permit bilateral negotiations.

TIPRO believes that this measure will tend to improve price transparency in natural gas markets, leading to a more efficient and stable marketplace. The relatively modest requirements outlined above should not unduly reduce liquidity for gas traders. Accordingly, TIPRO endorses your amendment.

Sincerely,

GREGORY MOREDOCK,
Natural Energy Policy Committee Chairman.

EXHIBIT 3

MIDAMERICAN ENERGY HOLDINGS CO.,
Omaha, NE., March 5, 2002.

Hon. DIANNE FEINSTEIN,
U.S. Senate,
Washington, DC.

DEAR SENATOR FEINSTEIN: I am writing in support of your effort to ensure that there is transparency and appropriate federal oversight of energy futures trading markets.

As I testified before the Senate Energy and Natural Resources Committee last month, I have long been concerned that the type of exchange run by Enron before its collapse offered opportunities for manipulation. Enron was the largest buyer, the largest seller and the operator of an unregulated exchange. In view of the revelations of the last several months regarding Enron, the unregulated nature of these markets has raised serious concerns regarding the ability of the federal government to ensure that energy trading and futures markets are operating in the interest of the public and market participants.

As the Senate addresses this issue, it is important to remember that electric and gas

markets as a whole responded to the Enron collapse without disruption, so legislation should not compromise the liquidity of these markets. I applaud your determination to keep your amendment focused on oversight and transparency and am encouraged that you, along with Senators Cantwell and Wyden, have pledged to work with market participants to continue to perfect this proposal as debate on the comprehensive energy bill continues.

Ensuring public confidence in the integrity of energy futures markets is a critical component of establishing a modernized regulatory framework for the electric and natural gas industries. I am pleased to support your effort and commend you on your work on this important issue.

Sincerely,

DAVID L. SOKOL,
Chairman and CEO.

PG&E CORPORATION,
Washington, DC, March 6, 2002.

Hon. DIANNE FEINSTEIN,
U.S. Senate, Hart Senate Office Building, Washington, DC.

DEAR SENATOR FEINSTEIN: We are writing today in reference to the amendment you will be offering to the Senate Energy bill, containing the substance of legislation you and several of your colleagues introduced earlier to provide regulatory oversight over energy trading markets, as amended.

At the outset, we applaud your efforts to ensure public and consumer confidence in the operation and orderly functioning of the energy marketplace. As you know, the industry relies heavily on these markets and products to manage risk for the benefit of consumers of electricity. We thus appreciate your willingness to work with us and other market participants to address areas of interest and concern as the provisions of your amendment have been debated and refined. As presently drafted, we view your amendment as providing an increased level of oversight, while ensuring the continued ability of market participants to utilize these instruments as part of overall risk management strategies. We therefore support your amendment.

Thank you for your hard work in this area, and we look forward to continuing to work with you and others on matters of national energy policy.

Sincerely,

STEVEN L. KLINE.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. WYDEN. Madam President, I want to commend Senator FEINSTEIN for leading all of us in this critically important effort. It has been a pleasure to team up with her. She has been the catalyst in this whole effort and it is a pleasure to stand with her.

I also want to note that Senator CANTWELL has been a tremendous voice for consumers in the Pacific Northwest and our country, and I have enjoyed teaming up with her as well as Senator FEINSTEIN. I am going to be very brief because I think our colleague from California has laid it out very well.

Today, as the Senate turns to a number of important amendments that are going to relate to the consumer protection issue, I think it is important to note this is an opportunity to end the Enron exemption. For years, Enron and other energy traders have operated back room trading floors where energy has been bought and sold as a commodity while the public has been kept in the dark. I think the question that colleagues may be asking is: Had this amendment been law during the time when all of the damage associated with Enron was being perpetrated, what would have been the difference? What would have been different had the Feinstein-Cantwell-Wyden effort been law at the time?

It seems to me there would have been two very significant benefits had this legislation been law. First, I think it would have been less likely that there would have been market manipulation. Certainly, the Federal Energy Regulatory Commission is investigating that question. That has not yet been determined. Certainly, conceptually it is much tougher to manipulate a market if in fact the transparency and the openness is there that this legislation calls for.

Second, had this legislation been law, if in fact there was market manipulation it would be possible to find that out very quickly. As all of our colleagues know, as a result of the request from west coast Senators, virtually all of us have joined into it. The Federal Energy Regulatory Commission has written to the west coast Senators saying they are going to investigate whether Enron manipulated our markets, but it will take them several months to conduct this investigation.

Had Enron's energy trading been regulated, as called for in this amendment, we would not have had to wait months to determine if Enron manipulated the market. Information about energy trading operations would have been immediately available to regulators and the public instead of shrouded in secrecy.

I think it is important for colleagues to note, first, this amendment makes it less likely that anybody can manipulate a market; and, second, if there is that kind of conduct taking place, it would not take months to ascertain what went on. One could find it out much more readily because information would be made available more quickly.

Before it collapsed, Enron was the biggest energy trader in the country, controlling one-quarter of all wholesale energy trades. Despite the great impact on energy markets, they were able to hide the facts about the trading operations from public scrutiny by securing exemptions from regulation for their energy and derivatives trading.

Evidence is emerging that Enron may have secretly used its market power to manipulate prices in energy markets. A witness testified before the Senate Energy Committee that the price of forward contracts for electricity dropped as much as 30 percent after Enron filed for bankruptcy, suggesting, according to this witness, Enron was artificially inflating prices in western markets.

There is a well-regulated system in place for trading pork bellies and other commodities to protect the public from market manipulation, but energy, a commodity that we all regard as essential, has been completely exempt. It seems to me if energy is going to be bought and sold as a commodity, the public should at least have the same protections that exist for trading any other commodity. There must be transparency for the markets to work.

Let me conclude with one last point, and then I know we are going to hear from our colleague from Washington. There has been considerable discussion as to whether this is somehow granting vast new powers to Government, and that Government is in some way reacting to what happened in the Enron situation.

First of all, the Commodity Futures Trading Commission had this authority before. This is not a brand new idea. They had this authority and essentially they gave it up. What this bill does is restore authority to the Commodity Futures Trading Commission to regulate energy the same way it regulates every other commodity.

I hope when my colleagues vote on this amendment, they recognize this is something that the Commodity Futures Trading Commission used to have. It is authority that was on the books before the agency granted a blanket exemption from regulating energy as a commodity. As my colleague from California noted, Congress later went along as part of an appropriations rider. But this bill does not give the Commodity Futures Trading Commission vast new powers nobody has ever heard about, and constitute in some way a rush to judgment in reaction to the Enron situation. This is restoring a power the agency should not have given up.

I compliment my colleague from California. She has been the leader in this effort, as has the Senator from the State of Washington.

Mrs. FEINSTEIN. Madam President, before Senator CANTWELL is recognized, I ask unanimous consent Senator FITZGERALD of Illinois be added as an original cosponsor, and that he be called on to speak directly following Senator CANTWELL.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Washington.

Ms. CANTWELL. Madam President, I, too, rise in support of this very important legislation, the Feinstein-Cantwell-Wyden energy derivatives legislation. I thank my colleagues for articulating the importance passing this amendment.

It is no secret that the States of California, Oregon, and Washington have been greatly impacted by the high prices of energy that our consumers are still paying and that have had a very negative impact on our economies. That is why this legislation is so important.

I applaud Senator FEINSTEIN for her hard work in driving this legislation. Basically, this amendment closes a very dangerous loophole, which was actually created by Congress and which

Enron may have used—I say ''may'' have used—to turn political influence into profit at the expense of consumers. That is why we must act today.

The Enron loophole created by the Commodity Futures Modernization Act actually allowed Enron Online and other companies like it to sell futures behind closed doors, without the regulatory oversight or the safeguards that this nation's ratepayers deserve.

At its core, our amendment allows the Commodity Futures Trading Commission to treat energy futures like all other regulated commodity futures. It does not give the CFTC any new powers that it does not already have when it is regulating other futures markets. This is a very important point. Our amendment places currently unregulated energy futures trading exchanges, such as Enron Online, under the CFTC's regulatory authority.

Closing this loophole, as Senator FEINSTEIN said, has the support of many organizations, such as NYMEX, Calpine, and Cambridge Energy Research Associates. But more importantly, consumers are counting on us. The Consumers Union, the Consumers Federation, and Public Interest Research Group all support this amendment. They support it for one very basic reason: They support it because it requires open books and transparency for markets that currently operate in secret. It is important because if there have been patterns of irregular energy trading, we want those patterns to be found and made abundantly clear.

What we are saying is that there should not be special rules for Enron. If agricultural products, minerals, and even certain other types of energy futures transactions are regulated by there CFTC, there is no good reason we should allow online energy trading exchanges to operate in the dark.

After all we have learned about Enron, shouldn't it be clear to all that exposing its trading activities to the light of day is essential? Closing the loopholes will open books and require transparency. It will give us the ability to do important things like compare Enron Online prices to competitors, compare forward markets with physical market pricing, and investigate the books of online traders to search for what those potential irregularities might be.

Being able to answer these questions will be incredibly valuable in reinforcing the strength and integrity of our energy markets. Why is this so important to the State of Washington? Many people may not realize that Enron continues to hold gigantic long-term contracts with utilities throughout the country, at least $900 million worth in my home State. We are now learning that these contracts may have been the result of market manipulation by Enron.

In one case alone, the Bonneville Power Administration has long-term contracts with Enron of over $700 million. At today's market price, those contracts would only cost $350 million. That means BPA—and that means, ultimately, Washington state ratepayers, who have to pay for those energy costs are paying Enron about $350 million more than the current market value.

Contracts like these have translated into unacceptably high utility bills for ratepayers throughout the West who deserve relief as soon as possible. That is why I have joined my colleagues in urging FERC to investigate and determine whether Enron manipulated these energy prices in the West, and if so, make sure that if these contracts are unjust and unreasonable, our consumers are let out of having to pay these high prices for the next 3 to 5 years.

Until we change this and require open books and transparency from Enron Online and businesses similar to it, the public will not be protected in the future for having the same kind of market manipulations, perhaps, happen to them. That is why passing this legislation is so important. We have to close the Enron loophole and restore the faith that the public needs to have in our energy markets—the faith that consumers deserve. They deserve to know that these entities are being regulated and are operating in the light of day.

I again thank my colleague from California who has worked so diligently on this important legislation, which is a key part of our energy strategy. We need to make sure and consumers need to believe that we are on the right track.

I yield the floor.

Mrs. FEINSTEIN. If the Senator from Illinois who is next under the unanimous consent agreement will yield for just a second, I thank Senator CANTWELL. She also is on the Energy and Natural Resources Committee. She also has been very concerned, very diligent, working very hard at what has been a very difficult onion to peel. I am very grateful for her leadership.

I ask unanimous consent to add Senator CORZINE as an original cosponsor. I believe he wants to speak to the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Illinois.

Mr. FITZGERALD. Madam President, I am pleased to rise in support of this amendment by my colleague from California. I support it and congratulate her for introducing it. Illinois, specifically Chicago, is home to some of the largest futures exchanges in the world. Certainly, I was very involved in the Commodity Exchange Act Reauthorization a couple of years ago. Since that time, in the wake of the Enron bankruptcy, the Enron exemption that allowed Enron Online to operate without any regulatory oversight has come to light, and it has drawn some criticism.

I say at the outset, I think probably Enron Online may not have had all that much to do with Enron's bankruptcy. I have also been very involved in the Enron investigations in the Senate, and as far as I can tell, Enron was running what amounts to a gigantic shell game or pyramid scheme, essentially borrowing money and booking borrowed money as income by filtering the borrowings through partnerships. They had the debt parked on the books of the off-the-balance-sheet partnerships rather than on their direct books.

At the end of the day, when Enron filed bankruptcy, it was because it had several billion dollars in indebtedness coming due that it, Enron, could not pay.

I don't know that Enron Online and their energy trading, per se, was responsible for it. I have seen many transactions that Enron engaged in that were simply borrowing money and reporting it as income. We will have to wait for a full autopsy. Nonetheless, I think it is appropriate to close the Enron exemption in the Commodities Exchange Act. That is what this bill does.

Right now, in an electronic exchange in which energy contracts are traded, that exchange is exempt from regulation under the Commodity Futures Trading Commission or by the FERC. FERC only comes in if energy is actually delivered, and in most cases energy is not actually delivered. You have contracts traded back and forth and many times an actual delivery of the commodity is put off.

I have been troubled to some extent by the wholesale exemption that is given to online futures exchanges. The exchanges at the Board of Trade and the Mercantile Exchange face a great deal of overhead to comply with their regulatory burden. I think that is appropriate. I think sometimes it is unfair to set up an offline exchange and say this is an offline exchange because online does not have any regulation. I like to see industries competing on a level playing field. I think that is what America is all about. I do not think there should be regulatory advantages given to one side or the other.

I do think this would be a protection for consumers, even sophisticated principals who may be trading energy contracts on electronic exchanges. I think there would be benefits by having some CFTC oversight. There would be greater transparency. It would be easier for prices to be discovered.

I think Senator FEINSTEIN's amendment accomplishes a great deal. It repeals the exemptions and exclusions for bilateral derivatives in multilateral markets in energy commodities. All would be again subject to direct CFTC oversight. That was the case prior to our reauthorization of the Commodities Exchange Act. We would correct that. Also, it ensures that energy dealers in derivatives markets cannot avoid full price transparency and escape regulatory oversight.

Third, the amendment subjects all multilateral markets and bilateral

dealer markets in energy commodities to registration, transparency, disclosure, and reporting obligations and requires entities running online trading forums to maintain sufficient capital to carry out their operations. It seems very reasonable to me.

Fourth, parties engaging in bilateral energy transactions must keep books and records. That does not seem so onerous to me.

Fifth, all energy transactions not regulated by FERC would be regulated by the CFTC.

And sixth, the amendment requires FERC and the CFTC to meet quarterly and discuss how energy derivatives markets are functioning and affecting energy deliveries. I do think that is reasonable in light of the great runup we saw in energy prices last year, particularly in Senators FEINSTEIN and BOXER's great State of California.

It is unclear why the price rose so quickly and why then ultimately it plummeted again back to reasonable levels. Whether this amendment, had it been law at the time, would have prevented that I do not know. But I think it will promote greater price transparency. I think that can't hurt. I think there is a minimal burden here, and I think it is worthy public policy. I compliment my friend from California, and I am proud to stand in support of her amendment.

I thank the Chair.

The PRESIDING OFFICER. Who seeks recognition?

The Senator from New Jersey.

Mr. CORZINE. I thank the Chair.

I, too, rise to strongly support the amendment the Senator from California is offering to roll back this Enron exemption in the derivatives market. Being an old bond trader who operated in the derivatives markets for many years, the idea that we do not need basic registration of dealers, we do not need capital adequacy or capital rules, that there is no price transparency, whether in over-the-counter markets or on electronic exchanges, or there are not audit trails that are fundamental to any kind of regulation of financial transactions anywhere in the world, seems strange to me and offers an opportunity for those who want to take advantage of the lack of transparency and create patterns of manipulation to easily operate in these markets. It seems very strange that we pick a very narrow slice, the energy markets, to have such a gaping lack of transparency.

I have heard people say there is no creativity in markets, that they will not develop, there will not be the liquidity in overseeings. That is just flatout not the fact. If you look at the derivatives markets in financial securities, or financial instruments, you will see some of the deepest, broadest, most liquid markets in the world. As a matter of fact, confidence comes when the participants who enter into markets will know where prices are taking place, the price discovery mechanism is quite obvious, where there are audit trails, so that if there are differences of views about whether transactions were actually executed, you can go back and find out where those prices actually took place. And you know your counterparts have enough capital to be able to stand behind the transactions. And then you have some simple qualifications to be a participant in those markets.

I think all these are simple, straightforward fundamentals in finance 101 for anyone who deals with financial transactions, whether it is derivative transactions that relate to hog bellies, Treasury bills, or stocks, and no different for energy in my mind, and I find it incredibly lacking in consistency with our oversight regime which has produced maybe the broadest, deepest markets we have anywhere in the world, in the history of the world, frankly, and I see no reason why we should not have that applying to energy markets just as we do any other market.

On that basis, I strongly support the amendment. I think Senator FEINSTEIN is definitely on the right trail to produce markets that will provide consumer protection, protection against price manipulation, and a greater quality of activity in the underlying energy markets. I think they will be broader and deeper because of it.

So I am proud to stand in support of the amendment of the Senator from California.

Mrs. FEINSTEIN. Madam President, I thank the distinguished Senator from New Jersey for his support. In view of his background, his knowledge, and his expertise, I am particularly grateful for that support. It is one thing to stand here and feel in your gut what is right for the consumer, but it is another in the mystical world of finance. His wisdom and his knowledge hopefully will gain additional votes for this amendment. I am very grateful to the Senator. I thank him very much.

Madam President, I note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The senior assistant bill clerk proceeded to call the roll.

Mr. BINGAMAN. Madam President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BINGAMAN. Madam President, I ask unanimous consent the pending amendment be set aside so that I can send an amendment to the desk for consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2990 TO AMENDMENT NO. 2917

Mr. BINGAMAN. Madam President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The senior assistant bill clerk read as follows:

The Senator from New Mexico [Mr. BINGAMAN], for himself and Mr. DOMENICI, proposes an amendment numbered 2990 to amendment No. 2917.

Mr. BINGAMAN. Madam President, I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To promote collaboration between the United States and Mexico on research related to energy technologies)

After section 1413 insert the following:

SEC. 1414. UNITED STATES-MEXICO ENERGY TECHNOLOGY COOPERATION.

(a) FINDING.—Congress finds that the economic and energy security of the United States and Mexico is furthered through collaboration between the United States and Mexico on research related to energy technologies.

(b) PROGRAM.—

(1) IN GENERAL.—The Secretary, acting through the Assistant Secretary for Environmental Management, shall establish a collaborative research, development, and deployment program to promote energy efficient, environmentally sound economic development along the United States-Mexico border to—

(A) mitigate hazardous waste;

(B) promote energy efficient materials processing technologies that minimize environmental damage; and

(C) protect the public health.

(2) CONSULTATION.—The Secretary, acting through the Assistant Secretary for Environmental Management, shall consult with the Office of Energy Efficiency and Renewable Energy in carrying out paragraph (1)(B).

(c) PROGRAM MANAGEMENT.—The program under subsection (b) shall be managed by the Department of Energy Carlsbad Environmental Management Field Office.

(d) COST SHARING.—The cost of any project or activity carried out using funds provided under this section shall be shared as provided in section 1403.

(e) TECHNOLOGY TRANSFER.—In carrying out projects and activities under this section to mitigate hazardous waste, the Secretary shall emphasize the transfer of technology developed under the Environmental Management Science Program of the Department of Energy.

(f) INTELLECTUAL PROPERTY.—In carrying out this section, the Secretary shall comply with the requirements of any agreement entered between the United States and Mexico regarding intellectual property protection.

(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $5,000,000 for fiscal year 2003 and $6,000,000 for each of fiscal years 2004 through 2006, to remain available until expended.

Mr. BINGAMAN. Madam President, this is an amendment which tries to address some very serious health and energy production issues, environmental issues, along the 2,000-mile common border that we have with Mexico.

There are tire dumps in that region that routinely catch fire and which have been determined to breed airborne dengue fever, which is a major health risk that we will face in the next decade.

There are brick kilns that use wood and plastic and cause serious health-related problems in the metropolitan area of Juarez/El Paso. There are serious water contamination issues with regard to ground water along the United States-Mexico border.

This amendment, which I am offering on behalf of myself and Senator DOMENICI, is one which directs the transfer of Department of Energy environmental management technologies to help clean up many of these serious and pressing health-related problems along the border.

The amendment will develop joint research programs between U.S. and Mexican universities on technologies to help develop clean materials processing technologies such as leadless solders for microelectronics plants, techniques to control air pollution from border region heavy manufacturing plants, and energy-efficient methods to recover nonpotable water for irrigation.

This is an amendment that was passed unanimously as S. 397 in the last Congress, the 106th Congress. That was after we had a full markup of the legislation in the Energy Committee.

It is consistent with the current administration's views on developing close ties with Mexico in both the fields of environmental sciences and energy production.

It is a very good amendment, which I understand I will be given the opportunity to explain again tomorrow morning before a vote occurs. It is one of the amendments the majority leader has indicated he would like to have a vote on tomorrow morning.

So I will not, at this point, belabor the issue but indicate to my colleagues that it has been supported unanimously, on a bipartisan basis, in the prior Congress. It is a good piece of legislation and one that I would very much like to see added to this pending energy bill. I hope we will do that tomorrow morning when the issue comes up for a vote.

Madam President, with that, I once again yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BINGAMAN. Madam President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2991 TO AMENDMENT NO. 2917

Mr. BINGAMAN. Madam President, I send an amendment to the desk on behalf of Senator AKAKA and ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, the pending amendment will be set aside, and the clerk will report.

The senior assistant bill clerk read as follows:

The Senator from New Mexico [Mr. BINGAMAN], for Mr. Akaka, proposes an amendment numbered 2991 to amendment No. 2917.

Mr. BINGAMAN. Madam President, I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To modify the provision requiring an assessment of the dependence of the State of Hawaii on oil)

Strike section 1702 and insert the following:

SEC. 1702. ASSESSMENT OF DEPENDENCE OF STATE OF HAWAII ON OIL.

(a) ASSESSMENT.—The Secretary of Energy shall assess the economic implications of the dependence of the State of Hawaii on oil as the principal source of energy for the State, including—

(1) the short- and long-term prospects for crude oil supply disruption and price volatility and potential impacts on the economy of Hawaii;

(2) the economic relationship between oil-fired generation of electricity from residual fuel and refined petroleum products consumed for ground, marine, and air transportation;

(3) the technical and economic feasibility of increasing the contribution of renewable energy resources for generation of electricity, on an island-by-island basis, including—

(A) siting and facility configuration;

(B) environmental, operational, and safety considerations;

(C) the availability of technology;

(D) effects on the utility system, including reliability;

(E) infrastructure and transport requirements;

(F) community support; and

(G) other factors affecting the economic impact of such an increase and any effect on the economic relationship described in paragraph (2);

(4) the technical and economic feasibility of using liquefied natural gas to displace residual fuel oil for electric generation, including neighbor island opportunities, and the effect of such displacement on the economic relationship described in paragraph (2), including—

(A) the availability of supply;

(B) siting and facility configuration for onshore and offshore liquefied natural gas receiving terminals;

(C) the factors described in subparagraphs (B) through (F) of paragraph (3); and

(D) other economic factors;

(5) the technical and economic feasibility of using renewable energy sources (including hydrogen) for ground, marine, and air transportation energy applications to displace the use of refined petroleum products, on an island-by-island basis, and the economic impact of such displacement on the relationship described in paragraph (2); and

(6) an island-by-island approach to—

(A) the development of hydrogen from renewable resources; and

(B) the application of hydrogen to the energy needs of Hawaii.

(b) CONTRACTING AUTHORITY.—The Secretary may carry out the assessment under subsection (a) directly or, in whole or in part, through 1 or more contracts with qualified public or private entities.

(c) REPORT.—Not later than 300 days after the date of enactment of this Act, the Secretary shall prepare, in consultation with agencies of the State of Hawaii and other stakeholders, as appropriate, and submit to Congress, a report detailing the findings, conclusions, and recommendations resulting from the assessment.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.

Mr. BINGAMAN. Madam President, this amendment makes technical corrections in section 1702 of the substitute bill that is before us, which requires the Secretary of Energy to study the economic risk posed by the dependence of Hawaii on oil as the State's principal source of energy.

The changes in the original text were proposed by the minority. They are acceptable to Senator AKAKA, who was the original proponent of section 1702. They have been cleared on both sides. So I urge that they be agreed to at this point.

The PRESIDING OFFICER. If there is no further debate, without objection, the amendment is agreed to.

The amendment (No. 2991) was agreed to.

Mr. BINGAMAN. Madam President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Ms. LANDRIEU. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. JOHNSON). Without objection, it is so ordered.

Ms. LANDRIEU. Mr. President, I know there are amendments that have been laid down and are open for discussion, but I want to take this opportunity to give a statement for the record in regard to the energy debate.

I will begin by thanking the chairman and our excellent leader, Senator BINGAMAN, for laying down a bill that is a real building block, a real stepping stone toward the kind of energy policy with which our Nation could grow and prosper. I thank him for including many of the issues I raised with him on behalf of the State of Louisiana and other petroleum- and gas-producing States, as well as provisions that Senator DOMENICI, Senator VOINOVICH, and I have worked on relating to electricity generation, expansion of nuclear energy, and others. He has been very open to many of the ideas we have suggested. The bill, however, is only a starting point.

I believe we have to build some additional provisions into this underlying bill.

To begin with, I am reminded of the words of Thomas Edison. He once said:

Opportunity is missed by most people because it comes dressed up in overalls, and it looks like work.

I think, as we begin this energy debate, that is an appropriate quote of which to be mindful. The situation that presents itself here—energy policy—rarely captures the attention of Congress, but at this very moment it really is a wonderful opportunity for us. We have a real opportunity—an opportunity to impact our economy and our environmental and foreign policy, all through the adoption of an effective and coherent national energy policy. But getting there is going to require some real work and some real compromise.

I am concerned that this is an opportunity dressed up like hard work. I am

hoping that the Senate is appropriately dressed. I am not quite sure. I know many of us have worked diligently, and, hopefully, with leadership on both sides and with strong leadership from the President, we can actually get a bill that makes sense for where our Nation is today—but, more importantly, where we need to be in the future.

The American people are ready for a different kind of energy policy. A recent poll found that three-fourths of the public believes that if we don't address our energy needs now, in 20 years Americans will not be able to live their lives in the way they choose. I think the American people, even prior to September 11, were very mindful of this fragile situation in which we find ourselves. But now, post-September 11, I know the people in my State are very concerned about our overdependence on foreign oil and energy sources. Of course, the American people are right. They recognize our vulnerability. This is the moment, and we must seize it.

I thank the chair of our committee again for his excellent work, and I thank Senator DASCHLE for bringing this bill to the floor for our consideration.

Many, including myself, have stated really inaccurately before that we don't have a national energy policy. Unfortunately, we do have one. The policy, whether expressed or implied, though, is perfectly clear. That policy, unfortunately, is that this Nation is to try to import as much cheap oil as possible. It doesn't seem to us that the sources of this imported oil matter much. All other national policies, such as human rights, conservation, and geopolitics, have seemingly taken a back seat to this overriding policy.

Let's look at the nations we are willing to deal with in order to secure cheap oil. The United States imports nearly 600,000 barrels of oil a day from Iraq. This is a country that we have been bombing an average of once a week. Can you imagine what the public would say if we were buying steel from Germany while undertaking the D-Day invasion? Yet that is the same kind of corrupting power that this shortsighted policy has on other interests.

I believe it is time—and I know many of my colleagues join me in saying this—for our country to forge a new ''declaration of independence.'' About 226 years ago, we decided the people of our Nation needed to control their own destiny politically and economically. We need to do so again today. In order to have that control, we must have energy independence. While we will never achieve that 100 percent, we have to get much closer to that goal than we are today. Getting there is going to be tough, but that is what this debate is about. It is what it should be about; it is what the American people want this debate to be about.

While we are achieving that end, it may require efforts equal to the Manhattan project, or the Apollo project, but I believe it is within our grasp. Again, with strong Presidential leadership, with a bipartisan group of leaders on this floor and in the House, and with the support of the American people, I believe we are up to the challenge.

Our new declaration must center around three principles. I will start with the principle that I truly believe is the most important, and that is that this country must produce more energy. We must produce cleaner fossil fuels; more nuclear power generation; and, yes, more oil and gas by small and independent companies; and, as Senator BINGAMAN has advocated, significant new investments for alternative and renewable fuels. The occupant of the chair has advocated using biomass and other agriculturally-based projects.

There are tremendous incentives in this bill for us to expand our supply of energy so that we are not held hostage or captive by only one fuel supply. We have an ample and a varied supply, but that supply has to be increased, not decreased and diminished.

Secondly, we will conserve energy wherever possible, particularly in transportation and the industrial sector, and do it in a way that enhances our chances of creating jobs in America, not driving them away to other nations. We have to be more committed to a balance, of conserving our natural resources, conserving our clean environment, and making our environment even cleaner. But I strongly believe we have to focus as intently on conserving and expanding jobs here—in my State of Louisiana, in your State, Mr. President, and in all of our States—because if we are not careful, changes that we make can drive good, high-paying jobs away from our Nation to other nations. It is not fair to our workers, and it is not fair to our communities when there are good alternatives.

The principle of increased energy production really hearkens back to a principle deeply ingrained in our American culture; namely—and I remember studying this in my earliest grades—the dictum of Captain John Smith: ''He who works eats; he who doesn't work doesn't eat.'' The Jamestown colony would not have survived without following that simple, clear and, in some ways, profound statement. We cannot allow mindless energy consumption on one hand while allowing a ''not in my backyard,'' attitude toward energy production. We must restore balance to the equation. Louisiana makes more than its fair share of a contribution through oil and natural gas production.

We also house the Nation's Strategic Petroleum Reserve. However, while every State should be free to determine how to make its contribution—solar energy perhaps from New Mexico, hydroelectric power from Washington, clean coal plants from West Virginia—every State should be free to make its choices, but every State must make a contribution.

If we are consuming 26 percent of the world's oil supply but producing only a fraction, we clearly are eating without working. Sixty-five percent of this Nation's energy supply comes from oil and gas. Yet States continue to express a reluctance to contribute their natural resources to our common needs. These natural resources belong to all the people of our Nation. Yet we see a policy permitting repeal of laws that were strict about using natural resources for our common need, which is real and I would say urgent.

It is important to contrast this with our allies in Europe who have a reputation for being more environmentally sensitive. While we have moratoria on drilling for oil and gas all over this Nation, from the west coast to the east coast, and in parts of the Gulf of Mexico, France has high-sulfur petroleum production in Paris—in Paris; not in the countryside but in Paris. The United Kingdom, the Netherlands, and Norway all permit offshore oil and gas drilling in their fishing grounds, some of the finest fishing grounds in the world. Yet there is a tremendous amount of environmentally sensitive, very strictly regulated production operating off those shores.

Such actions would set our environmental community in this Nation in a frenzy. In Europe, however, they have managed to accept a fundamental reality: If you need oil and gas, you must produce it. What is more, every possibility needs to be on the table. If you need more power from nuclear, you have to build the nuclear powerplants to produce it. You cannot just wish it so and turn on the lights.

Our allies have recognized this, but in this country we have not quite grasped this reality. We are seeing a trend toward creating something like Fritz Lang's Metropolis, but on a statewide scale, with some States getting to live in the clouds with an unspoiled environment, consuming to their heart's desire, while other States must live on Earth and bear the brunt of this carefree lifestyle.

This growing dichotomy must stop. We must have more domestic production to balance out our consumption. It is just as simple as that.

The second principle of our declaration, of course, is conservation. We must consume less. Everyone knows the American economy is the largest consumer of energy in the world.

Everyone also understands that we have the largest gross domestic product in the world. While we produce more goods than any other people on Earth and in the history of the world, the ratio between how much we produce to how much energy we use to produce it is the worst in the world. In other words, we are hugely inefficient when it comes to the use of energy. This is not only an environmental dilemma, but it is an economic dilemma as well.

We have squeezed efficiency out of our American workers through greater productivity gains, longer work hours, a more flexible and skilled workforce,

and particularly new technologies. However, we have not squeezed enough efficiency out of our power distribution networks to make U.S. manufacturing cheaper and, as a result, more competitive.

I congratulate Senator BINGAMAN, again, for making this a focus of this legislation. It is truly one of the best pieces of this legislation, and, if we can build on this piece, it will be a real step in the right direction. I look forward to working with him in this debate. Already we have accepted several amendments toward this end that have strengthened this position so that we can make it even stronger.

We must, as I said in the first principle, we must be committed to robust domestic production. Then we also have to be committed to real efficiencies in our electric market, on which Senator VOINOVICH and others have worked so diligently.

Finally, we must institute the third principle, and that is, if you are taking on the burden of production, whether it is in Louisiana, which produces oil and gas and other energies for this Nation, or other States, our Nation should compensate those regions fairly.

Louisiana is the second-highest energy-producing State in the country. We have 16 percent of the total refining capacity, and we supply about 25 percent of all domestic petroleum, half of the imported liquefied natural gas, and about 13 percent of the crude oil shipped into the United States comes through Louisiana. Yet this contribution, while my State is proud of it, has not come without cost to our coast, to our environment, and our infrastructure.

In the past 50 years, Louisiana has lost over 1,000 square miles of its coast. Let me be clear, this loss is not 100 percent directly related to this activity. This activity has been a portion of this loss. There have been many other factors. But still the facts remain that because of the drainage and the shipping we provide for the Nation through the Mississippi River and the Delta so that all the Great Plains States and our great interior can ship products out and receive products, as well as the production taking place in this fragile environment, it has had some environmental consequences.

This loss represents 80 percent of all wetlands loss within the United States. While my State suffers these losses, we contribute to the Federal Treasury anywhere from $2 billion to $4 billion a year, just through oil and gas production. This figure does not take into account the taxes and wealth and prosperity generated for the whole Nation because of the shipping and the commerce allowed by our rivers.

In fact, since the year I was born, 1955, our State and other coastal States have contributed $120 billion to the Federal Treasury, and Louisiana has received nothing of this $120 billion directly. We have received less than 1 percent of the money that has come into the Treasury from offshore oil and gas drilling and yet bear most of the cost of the infrastructure required.

Louisiana's coastal wetlands contribute 28 percent to the total volume of U.S. fisheries. Our coastal wetlands are being lost at a rate of one football field every 15 minutes. Let me restate that: One football field every 15 minutes.

In short, we should sometimes ask ourselves: Why are we doing this? Why don't others do it? We have developed a system of retrieving our natural resources. In the old days, we did not do a very good job of it, but in these days of new horizontal drilling, directional drilling, with new technologies, new rules and regulations, some local and some national, we have learned to pool our natural resources for the benefit of our State and our Nation and minimize that environmental footprint.

We want to continue to do that, but we cannot continue under the present regime or set of circumstances unless we are more fairly compensated.

Interior States that produce their natural resources, whether it is to contribute to the energy sector or other sectors, receive 50 percent of their royalties in revenues. Two years ago the State of Wyoming, through severance taxes that levied from their mining operations, kept $200 million and spent it as they would to reinvest in their State and the local communities that supported that mining operation.

Yet Louisiana and the Gulf Coast States that bear a tremendous responsibility for the production now of oil and gas do not share a penny of those offshore revenues, and yet serve as a platform for that production.

The helicopters cannot get into the central gulf unless they take off from somewhere. The pipes, the equipment, the computers, the people, the technology are launched from the coast of Texas or Louisiana or Mississippi or Alabama.

I am going to be laying down amendments—there is already a provision in this bill, thanks to Senator BINGAMAN—that would authorize for the very first time a coastal impact assistance provision that will give Louisiana and the Gulf Coast States a share of these revenues. It is an authorization. I believe we need a direct appropriation, and I will be working to strengthen that provision. But for the first time, the Senate, I hope, will accept this responsibility and fashion part of our overriding energy principle or declaration of independence that if you are going to produce, you should be rewarded for that production. Again, produce what you will, produce what you can, produce what you choose, but whatever you do, you should be rewarded or compensated for that production.

Frankly, for those States that refuse to produce and only want to consume, then I think we should think very strongly about that situation and what we might do to encourage those States to do more to meet their obligation. It did not work 226 years ago, and that kind of attitude is not going to work today. So for producing States, I believe this is a very strong policy.

I look forward to this debate. It is a rare moment in our history. I hope there is enough pressure that can be brought to bear to move us to make the kind of compromises necessary. It is time for us to declare our independence. We will not get there 100 percent, but we need to get much closer to independence than we are today because not only is our economy at stake, our environment is as well. The security of our Nation rests on how successful we will be in getting more independent.

If another tragedy strikes or, shall I say, when another tragedy strikes, with the new and emerging threats confronting our Nation, we can make wise decisions based on our principles, based on America's economic interests, based on what is right in terms of leading the Nation, and not be held hostage because we have simply not learned how to either live within our means so we can have the kind of independence necessary to make wise decisions for ourselves as we help to lead this world.

This is a very important debate. I have really appreciated working again with Senator DOMENICI. He has almost singlehandedly reengaged us in understanding the importance of nuclear energy for our Nation—it is 20 percent of the source today—and rallied many different entities to realize we have safer nuclear reactors. The new technologies are quite promising, with the production of hydrogen as well as the traditional fuels and what that might mean to help us reach that independence.

Senator VOINOVICH and I will continue to work on building an electric grid for this Nation much like our transportation grid, our interstate system. No one would argue that without the interstate system our economy could not grow. We could not move our products. We could not build our businesses. We could not have the international trade that is now the lifeblood of our Nation. That is the kind of electricity system that we need to create.

It was not created that way initially. It was all State developed, regionally developed, and we have to now open that up so our electricity and power can get on onramps, off offramps, with limited speed bumps, and move throughout this Nation to create the kind of conservation and efficiency our businesses need to compete in the world.

As I said, there are many goals and objectives. I have laid out some of these principles, and I look forward to advocating for the people of my State and for many States that are producing oil and gas to make sure we are justly compensated so we can take those just compensations and reinvest for our children and for our grandchildren.

One day these oil and gas wells are going dry up. We wanted to make sure we were good stewards of the taxes

that were levied on those oil and gas wells. Therefore, we have laid down new investments for cleaner technologies, for new opportunities for Louisiana and for our Nation.

Mr. GRASSLEY. Mr. President, I am glad to have the opportunity today to speak on the critical issue of energy security. In order to secure our country's economic and national security, we need to have a balanced energy plan that protects the environment, supports the needs of our growing economy, and reduces our dependence on foreign sources of energy.

Every man, woman, and child in the United States is a stakeholder when it comes to developing a responsible, balanced, stable, long-term energy policy.

When natural gas prices soared last winter, low-income families and the elderly were the hardest hit. Not too long ago, $2-per-gallon gas took a great toll on our economy. Trucking companies went bankrupt, small businesses and factories were forced to lay off workers, and farmers suffered a devastating blow of spiked input costs.

We found ourselves, after 8 years of inaction by the Clinton administration, without a comprehensive energy policy. I questioned officials from the Clinton administration and encouraged them to provide to Congress a plan to deal with the rising cost of energy. I even authored an amendment to require them to compile a report detailing their plan to address the energy shortage. I never received such a plan.

I was pleased that President Bush, soon after taking office, pledged to make the energy security of our country one of his highest priorities.

It is unfortunate that since the release of the President's National Energy Policy report last year, it took over 10 months for the Senate to begin this debate. Even more troubling is the process by which this bill was put together. In October, the majority leader and the chairman of the Energy Committees chose to remove this bill from further consideration by the committee, and instead put together this bill without the input of the minority members of the Senate Energy Committee, and that is also unfortunate.

The events of September 11 have made very clear to Americans how important it is to enhance our energy independence. We can longer afford to allow our dangerous reliance on foreign sources of oil to continue.

It is time to get serious about implementing energy efficiency and conservation efforts, investing in alternative, renewable fuels and improving domestic production of traditional resources.

I support a comprehensive energy policy consisting of conservation efforts, development of renewable and alternative energy resources, and domestic production of traditional sources of energy.

As my colleagues well know, I have long been a supporter of alternative and renewable sources of energy as a way of protecting our environment and increasing our energy independence.

In 1992, I authored legislation to provide the first-ever tax incentive for wind energy production. In 1997, I led the successful effort to extend for 10 years the tax credit for corn-based ethanol.

The energy bill we are currently debating includes a number of provisions regarding conservation and renewable energy development. For example, included in this legislation is a renewable fuels provision which requires a small percentage of our Nation's fuel supply to be provided by renewable fuels such as ethanol and biodiesel.

I strongly support the production of renewable domestic fuels, particularly ethanol and biodiesel. As domestic, renewable sources of energy, ethanol and biodiesel can increase fuel supplies, reduce our dependence on foreign oil, and increase our national and economic security.

I thank the majority leader and Chairman BINGAMAN for including this renewable fuels standard, which is very similar to the standard that the Senate Energy Committee Republicans supported early last fall.

The renewable fuels standard, supported by a broad coalition, is good for America's farmers, good for the environment, good for consumers, and good for national security.

However, while this bill addresses conservation efforts and alternative energy, it falls well short on domestic energy development of traditional sources. Critical provisions to support new development of nuclear energy and domestic oil and gas exploration and production were unfortunately left out of the package.

At a time when the United States is dependent on foreign countries for over 58 percent of our oil needs, this legislation does little to support development of resources on our own land. We currently import more than 750,000 barrels of oil a day from Saddam Hussein's Iraq. Yet this bill remains silent on the development of just 2,000 acres of land in Alaska that could supply the equivalent of the oil we import from Saudi Arabia for 30 years.

We must do more to develop, in an environmentally sensitive way, the resources that God gave us. I look forward to working with my colleagues to ensure that the bill before the Senate does more to protect our national security, and reduce our dependence on foreign oil.

I also look forward to debate on an amendment that I plan to offer with Senator BAUCUS. As ranking member of the Finance Committee, I have had the opportunity to work with Chairman BAUCUS to develop an energy-related tax amendment.

Unlike the underlying bill, this amendment strikes a good balance between conventional energy sources, alternative and renewable energy, and conservation.

Among other things, it includes provisions for the development of renewable sources of energy like wind and biomass, incentives for energy efficient appliances and homes, and incentives for the production of non-conventional sources of traditional oil and gas.

I believe the Finance Committee did a good job to address our nation's energy security in a balanced and comprehensive way, and I look forward to the Senate's consideration of the energy-related tax package.

In conclusion, I am please that the Senate has finally begun to address an issue with such a direct impact on our national and economic security.

For the sake of our children and our grandchildren, we must implement conservation efforts, invest in alternative and renewable energy, and improve development and production of domestic oil and natural gas resources. I hope that during this process we can develop a bill that is truly comprehensive.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. REID. Madam President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER (Ms. CANTWELL). Without objection, it is so ordered.

MORNING BUSINESS

Mr. REID. Madam President, I ask unanimous consent the Senate proceed to a period of morning business, with Senators allowed to speak therein for a period not to exceed 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. How long does the Senator from Maine wish to speak?

Ms. COLLINS. If I could be recognized for 10 minutes.

Mr. REID. If the Senator needs more time, no problem.

Ms. COLLINS. I thank the leader for his assistance.

The PRESIDING OFFICER. The Senator from Maine.

Ms. COLLINS. Madam President, I also appreciate you staying in the chair. I will try not to unduly delay you.

THE ECONOMIC RECOVERY PACKAGE

Ms. COLLINS. Madam President, I rise today to express my support for the Job Creation and Worker Assistance Act, which passed the House earlier today by an overwhelming vote. I am so pleased that it appears we are on the verge of finally passing a very balanced, reasonable, and bipartisan bill to keep our economy on the road to recovery.

It has been a long struggle, back and forth, between the House and the Senate and between the two parties, and now it is great to see us all coming together on a consensus bill.

I thank the House leadership, and in particular Chairman BILL THOMAS for all the work he has done in putting together this excellent legislation.

I am particularly pleased that the bill includes two provisions about which I care a great deal.

The first is the extension of unemployment compensation for displaced workers for an additional 13 weeks. Last October, I introduced the first bipartisan bill to extend unemployment benefits for workers who had exhausted their regular State benefits and yet still have been unable to find new work or to be rehired because of the weak economy. These workers need our help.

We know that in January alone some 370,000 unemployed workers exhausted their benefits, up 63 percent from the year before. The situation is similar in Maine. We experienced a large increase in the number of unemployed workers who have been unable to find new work and have exhausted their normal 26 weeks of State unemployment benefits.

This extension could help some 3 million unemployed workers, many of whom lost their jobs either as a direct or indirect result of September 11 or have been affected by the recession that our country just now seems to be on the verge of pulling out of.

I know the Presiding Officer has been very concerned about the large number of unemployed Americans living in her State which has experienced one of the higher jumps in unemployment insurance. I know this is a provision she has been a strong advocate for as well.

The second provision on which I want to comment tonight is one that is very near and dear to me. It is a provision I have worked on for the past 3 years, originally with Senators Coverdell and KYL, and more recently with Senators WARNER and LANDRIEU.

Just Tuesday, President Bush spoke about the need to support our elementary and secondary education teachers, to help them bring out the best in their students, our children. Now we are close to passing another milestone in our journey toward the goal of supporting our teachers.

The provision to which I am referring is known as the teacher tax provision. It is a provision that has been included in the economic recovery package that would establish an above-the-line deduction of up to $250 to compensate teachers for a small part of what they invest in our children.

This tax deduction would be available to teachers who dip deep into their own pocket in order to buy supplies, materials, or books for their classrooms. This above-the-line deduction would be available for teachers, teacher's aides, principals, and counselors to help reimburse them in just a small way for the books, supplies, and equipment they purchase for their students.

I notice the Senator from Iowa is in the Chamber. He has been very helpful with this provision as well. I thank him, too.

Just last year, we passed landmark legislation reauthorizing the Elementary and Secondary Education Act. A principal goal of this bill is to promote teacher excellence. We know that other than involved parents, the most important predictor of a student's success is a quality teacher.

I have visited close to 100 schools in the State of Maine, and I have seen firsthand how dedicated our teachers are. They deserve our support. This is a way we can recognize the selfless efforts of our teachers and the financial sacrifices they make in entering the field of teaching and also in making purchases to improve the classrooms where they teach.

According to a study by the National Education Association, the average classroom teacher spends more than $400 a year out of his or her own pocket in order to buy supplies or materials or books for the classroom. This sacrifice is typical of the dedication of America's teachers to their students.

So often teachers in Maine and throughout the country spend their own money to better the classroom experiences of their students. Let me cite an example. I have spoken to dozens of teachers who have told me about their efforts to improve the quality of their teaching by giving their students access to supplies and other materials they would not otherwise have.

One example is Idella Harter. She is president of the Maine Education Association. One year, Idella saved all of her receipts from the purchases of classroom materials. She started adding up the receipts and was startled to discover she had spent over $1,000 of her own money to enrich the educational experience of her students. She told me she decided after she got to $1,000, she had better stop counting.

The relief our Tax Code now provides to our teachers is simply not sufficient because most teachers do not itemize so they do not get the benefit of the tax deduction for the supplies for their classroom. By changing the system so that we now have an above-the-line tax deduction, we will help many more teachers. By allowing them to take an above-the-line deduction for classroom expenses, this provision takes a fair, progressive approach that will provide just a bit of thanks and a little bit of incentive and financial relief to our schoolteachers. It will also encourage additional spending on classroom supplies.

The teacher tax provision of the Job Creation and Worker Assistance Act helps teachers to go that extra mile for their students. We have all seen them. We know how dedicated they are. We know the difference they have made in our own lives. As President Bush has eloquently noted, teachers sometimes lead with their hearts and pay with their wallets. This provision would reimburse educators for a small part of what they invest in our children's future.

I hope we will clear this bill very shortly and pass it either tonight or first thing tomorrow morning. I hope all of my colleagues will join in a strong vote for this important legislation.

I thank the Presiding Officer for allowing me to comment on these two important provisions. I am delighted to see two of my top legislative priorities on the verge of being signed into law.

I yield the floor.

JOB CREATION AND WORKER ASSISTANCE ACT OF 2002

The PRESIDING OFFICER. The majority leader is recognized.

Mr. DASCHLE. Madam President, I am about to propound a unanimous consent request. I have been in consultation with the Republican leader, with the distinguished Senator from Iowa, and I know of no objections to the request. So at this time I will make it.

I ask that the Chair now lay before the Senate a message from the House on H.R. 3090 and that on Friday, March 8, immediately following the usual opening ceremony, the Senate resume consideration of the message; that upon disposition of that message, the Senate immediately resume consideration of S. 517 and the McCain amendment No. 2979; and there be 2 minutes of debate equally divided and controlled, with no second-degree amendments in order prior to a vote in relation to the McCain amendment.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Chair laid before the Senate the following message from the House of Representatives:

Resolved, That the House agree to the amendment of the Senate to the bill (H.R. 3090) entitled ''An Act to provide tax incentives for economic recovery'', with the following House amendment to Senate amendment:

In the amendment of the Senate, strike the matter proposed to be inserted by the Senate and insert the following:

SECTION 1. SHORT TITLE; ETC.

(a) SHORT TITLE.—This Act may be cited as the ''Job Creation and Worker Assistance Act of 2002''.

(b) REFERENCES TO INTERNAL REVENUE CODE OF 1986.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

(c) TABLE OF CONTENTS.—

For purposes of the preceding sentence, the term 'related persons' means—

''(I) members of an affiliated group (as defined in section 1504), and

''(II) persons having a relationship described in subsection (b) of section 267; except that, for purposes of this clause, the phrase '80 percent or more' shall be substituted for the phrase 'more than 50 percent' each place it appears in such subsection.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after September 10, 2001, in taxable years ending after such date.

SEC. 102. CARRYBACK OF CERTAIN NET OPERATING LOSSES ALLOWED FOR 5 YEARS; TEMPORARY SUSPENSION OF 90 PERCENT AMT LIMIT.

(a) IN GENERAL.—Paragraph (1) of section 172(b) (relating to years to which loss may be carried) is amended by adding at the end the following new subparagraph:

''(H) In the case of a taxpayer which has a net operating loss for any taxable year ending during 2001 or 2002, subparagraph (A)(i) shall be applied by substituting '5' for '2' and subparagraph (F) shall not apply.''.

(b) ELECTION TO DISREGARD 5-YEAR CARRYBACK.—Section 172 (relating to net operating loss deduction) is amended by redesignating subsection (j) as subsection (k) and by inserting after subjection (i) the following new subsection:

''(j) ELECTION TO DISREGARD 5-YEAR CARRYBACK FOR CERTAIN NET OPERATING LOSSES.—Any taxpayer entitled to a 5-year carryback under subsection (b)(1)(H) from any loss year may elect to have the carryback period with respect to such loss year determined without regard to subsection (b)(1)(H). Such election shall be made in such manner as may be prescribed by the Secretary and shall be made by the due date (including extensions of time) for filing the taxpayer's return for the taxable year of the net operating loss. Such election, once made for any taxable year, shall be irrevocable for such taxable year.''.

(c) TEMPORARY SUSPENSION OF 90 PERCENT LIMIT ON CERTAIN NOL CARRYOVERS.—

(1) IN GENERAL.—Subparagraph (A) of section 56(d)(1) (relating to general rule defining alternative tax net operating loss deduction) is amended to read as follows:

''(A) the amount of such deduction shall not exceed the sum of—

''(i) the lesser of—

''(I) the amount of such deduction attributable to net operating losses (other than the deduction attributable to carryovers described in clause (ii)(I)), or

''(II) 90 percent of alternative minimum taxable income determined without regard to such deduction, plus

''(ii) the lesser of—

''(I) the amount of such deduction attributable to the sum of carrybacks of net operating losses for taxable years ending during 2001 or 2002 and carryforwards of net operating losses to taxable years ending during 2001 and 2002, or

''(II) alternative minimum taxable income determined without regard to such deduction reduced by the amount determined under clause (i), and''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to taxable years ending before January 1, 2003.

(d) EFFECTIVE DATE.—Except as provided in subsection (c), the amendments made by this section shall apply to net operating losses for taxable years ending after December 31, 2000.

TITLE II—UNEMPLOYMENT ASSISTANCE

SEC. 201. SHORT TITLE.

This title may be cited as the ''Temporary Extended Unemployment Compensation Act of 2002''.

SEC. 202. FEDERAL-STATE AGREEMENTS.

(a) IN GENERAL.—Any State which desires to do so may enter into and participate in an agreement under this title with the Secretary of Labor (in this title referred to as the ''Secretary''). Any State which is a party to an agreement under this title may, upon providing 30 days' written notice to the Secretary, terminate such agreement.

(b) PROVISIONS OF AGREEMENT.—Any agreement under subsection (a) shall provide that the State agency of the State will make payments of temporary extended unemployment compensation to individuals who—

(1) have exhausted all rights to regular compensation under the State law or under Federal law with respect to a benefit year (excluding any benefit year that ended before March 15, 2001);

(2) have no rights to regular compensation or extended compensation with respect to a week under such law or any other State unemployment compensation law or to compensation under any other Federal law;

(3) are not receiving compensation with respect to such week under the unemployment compensation law of Canada; and

(4) filed an initial claim for regular compensation on or after March 15, 2001.

(c) EXHAUSTION OF BENEFITS.—For purposes of subsection (b)(1), an individual shall be deemed to have exhausted such individual's rights to regular compensation under a State law when—

(1) no payments of regular compensation can be made under such law because such individual has received all regular compensation available to such individual based on employment or wages during such individual's base period; or

(2) such individual's rights to such compensation have been terminated by reason of the expiration of the benefit year with respect to which such rights existed.

(d) WEEKLY BENEFIT AMOUNT, ETC.—For purposes of any agreement under this title—

(1) the amount of temporary extended unemployment compensation which shall be payable to any individual for any week of total unemployment shall be equal to the amount of the regular compensation (including dependents' allowances) payable to such individual during such individual's benefit year under the State law for a week of total unemployment;

(2) the terms and conditions of the State law which apply to claims for regular compensation and to the payment thereof shall apply to claims for temporary extended unemployment compensation and the payment thereof, except—

(A) that an individual shall not be eligible for temporary extended unemployment compensation under this title unless, in the base period with respect to which the individual exhausted all rights to regular compensation under the State law, the individual had 20 weeks of full-time insured employment or the equivalent in insured wages, as determined under the provisions of the State law implementing section 202(a)(5) of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note); and

(B) where otherwise inconsistent with the provisions of this title or with the regulations or operating instructions of the Secretary promulgated to carry out this title; and

(3) the maximum amount of temporary extended unemployment compensation payable to any individual for whom a temporary extended unemployment compensation account is established under section 203 shall not exceed the amount established in such account for such individual.

(e) ELECTION BY STATES.—Notwithstanding any other provision of Federal law (and if State law permits), the Governor of a State that is in an extended benefit period may provide for the payment of temporary extended unemployment compensation in lieu of extended compensation to individuals who otherwise meet the requirements of this section. Such an election shall not require a State to trigger off an extended benefit period.

SEC. 203. TEMPORARY EXTENDED UNEMPLOYMENT COMPENSATION ACCOUNT.

(a) IN GENERAL.—Any agreement under this title shall provide that the State will establish, for each eligible individual who files an application for temporary extended unemployment compensation, a temporary extended unemployment compensation account with respect to such individual's benefit year.

(b) AMOUNT IN ACCOUNT.—

(1) IN GENERAL.—The amount established in an account under subsection (a) shall be equal to the lesser of—

(A) 50 percent of the total amount of regular compensation (including dependents' allowances) payable to the individual during the individual's benefit year under such law, or

(B) 13 times the individual's average weekly benefit amount for the benefit year.

(2) WEEKLY BENEFIT AMOUNT.—For purposes of this subsection, an individual's weekly benefit amount for any week is the amount of regular compensation (including dependents' allowances) under the State law payable to such individual for such week for total unemployment.

(c) SPECIAL RULE.—

(1) IN GENERAL.—Notwithstanding any other provision of this section, if, at the time that the individual's account is exhausted, such individual's State is in an extended benefit period (as determined under paragraph (2)), then, such account shall be augmented by an amount equal to the amount originally established in such account (as determined under subsection (b)(1)).

(2) EXTENDED BENEFIT PERIOD.—For purposes of paragraph (1), a State shall be considered to be in an extended benefit period if, at the time of exhaustion (as described in paragraph (1))—

(A) such a period is then in effect for such State under the Federal-State Extended Unemployment Compensation Act of 1970; or

(B) such a period would then be in effect for such State under such Act if section 203(d) of such Act were applied as if it had been amended by striking ''5'' each place it appears and inserting ''4''.

SEC. 204. PAYMENTS TO STATES HAVING AGREEMENTS FOR THE PAYMENT OF TEMPORARY EXTENDED UNEMPLOYMENT COMPENSATION.

(a) GENERAL RULE.—There shall be paid to each State that has entered into an agreement under this title an amount equal to 100 percent of the temporary extended unemployment compensation paid to individuals by the State pursuant to such agreement.

(b) TREATMENT OF REIMBURSABLE COMPENSATION.—No payment shall be made to any State under this section in respect of any compensation to the extent the State is entitled to reimbursement in respect of such compensation under the provisions of any Federal law other than this title or chapter 85 of title 5, United States Code. A State shall not be entitled to any reimbursement under such chapter 85 in respect of any compensation to the extent the State is entitled to reimbursement under this title in respect of such compensation.

(c) DETERMINATION OF AMOUNT.—Sums payable to any State by reason of such State having an agreement under this title shall be payable, either in advance or by way of reimbursement (as may be determined by the Secretary), in such amounts as the Secretary estimates the State will be entitled to receive under this title for each calendar month, reduced or increased, as the case may be, by any amount by which the Secretary finds that the Secretary's estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made on the basis of such statistical, sampling, or other method as may be agreed upon by the Secretary and the State agency of the State involved.

SEC. 205. FINANCING PROVISIONS.

(a) IN GENERAL.—Funds in the extended unemployment compensation account (as established by section 905(a) of the Social Security

Act (42 U.S.C. 1105(a)) of the Unemployment Trust Fund (as established by section 904(a) of such Act (42 U.S.C. 1104(a)) shall be used for the making of payments to States having agreements entered into under this title.

(b) CERTIFICATION.—The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State the sums payable to such State under this title. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payments to the State in accordance with such certification, by transfers from the extended unemployment compensation account (as so established) to the account of such State in the Unemployment Trust Fund (as so established).

(c) ASSISTANCE TO STATES.—There are appropriated out of the employment security administration account (as established by section 901(a) of the Social Security Act (42 U.S.C. 1101(a)) of the Unemployment Trust Fund, without fiscal year limitation, such funds as may be necessary for purposes of assisting States (as provided in title III of the Social Security Act (42 U.S.C. 501 et seq.)) in meeting the costs of administration of agreements under this title.

(d) APPROPRIATIONS FOR CERTAIN PAYMENTS.—There are appropriated from the general fund of the Treasury, without fiscal year limitation, to the extended unemployment compensation account (as so established) of the Unemployment Trust Fund (as so established) such sums as the Secretary estimates to be necessary to make the payments under this section in respect of—

(1) compensation payable under chapter 85 of title 5, United States Code; and

(2) compensation payable on the basis of services to which section 3309(a)(1) of the Internal Revenue Code of 1986 applies.

Amounts appropriated pursuant to the preceding sentence shall not be required to be repaid.

SEC. 206. FRAUD AND OVERPAYMENTS.

(a) IN GENERAL.—If an individual knowingly has made, or caused to be made by another, a false statement or representation of a material fact, or knowingly has failed, or caused another to fail, to disclose a material fact, and as a result of such false statement or representation or of such nondisclosure such individual has received an amount of temporary extended unemployment compensation under this title to which he was not entitled, such individual—

(1) shall be ineligible for further temporary extended unemployment compensation under this title in accordance with the provisions of the applicable State unemployment compensation law relating to fraud in connection with a claim for unemployment compensation; and

(2) shall be subject to prosecution under section 1001 of title 18, United States Code.

(b) REPAYMENT.—In the case of individuals who have received amounts of temporary extended unemployment compensation under this title to which they were not entitled, the State shall require such individuals to repay the amounts of such temporary extended unemployment compensation to the State agency, except that the State agency may waive such repayment if it determines that—

(1) the payment of such temporary extended unemployment compensation was without fault on the part of any such individual; and

(2) such repayment would be contrary to equity and good conscience.

(c) RECOVERY BY STATE AGENCY.—

(1) IN GENERAL.—The State agency may recover the amount to be repaid, or any part thereof, by deductions from any temporary extended unemployment compensation payable to such individual under this title or from any unemployment compensation payable to such individual under any Federal unemployment compensation law administered by the State agency or under any other Federal law administered by the State agency which provides for the payment of any assistance or allowance with respect to any week of unemployment, during the 3-year period after the date such individuals received the payment of the temporary extended unemployment compensation to which they were not entitled, except that no single deduction may exceed 50 percent of the weekly benefit amount from which such deduction is made.

(2) OPPORTUNITY FOR HEARING.—No repayment shall be required, and no deduction shall be made, until a determination has been made, notice thereof and an opportunity for a fair hearing has been given to the individual, and the determination has become final.

(d) REVIEW.—Any determination by a State agency under this section shall be subject to review in the same manner and to the same extent as determinations under the State unemployment compensation law, and only in that manner and to that extent.

SEC. 207. DEFINITIONS.

In this title, the terms ''compensation'', ''regular compensation'', ''extended compensation'', ''additional compensation'', ''benefit year'', ''base period'', ''State'', ''State agency'', ''State law'', and ''week'' have the respective meanings given such terms under section 205 of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note).

SEC. 208. APPLICABILITY.

An agreement entered into under this title shall apply to weeks of unemployment—

(1) beginning after the date on which such agreement is entered into; and

(2) ending before January 1, 2003.

SEC. 209. SPECIAL REED ACT TRANSFER IN FISCAL YEAR 2002.

(a) REPEAL OF CERTAIN PROVISIONS ADDED BY THE BALANCED BUDGET ACT OF 1997.—

(1) IN GENERAL.—The following provisions of section 903 of the Social Security Act (42 U.S.C. 1103) are repealed:

(A) Paragraph (3) of subsection (a).

(B) The last sentence of subsection (c)(2).

(2) SAVINGS PROVISION.—Any amounts transferred before the date of enactment of this Act under the provision repealed by paragraph (1)(A) shall remain subject to section 903 of the Social Security Act, as last in effect before such date of enactment.

(b) SPECIAL TRANSFER IN FISCAL YEAR 2002.—Section 903 of the Social Security Act is amended by adding at the end the following:

''Special Transfer in Fiscal Year 2002

''(d)(1) The Secretary of the Treasury shall transfer (as of the date determined under paragraph (5)) from the Federal unemployment account to the account of each State in the Unemployment Trust Fund the amount determined with respect to such State under paragraph (2).

''(2)(A) The amount to be transferred under this subsection to a State account shall (as determined by the Secretary of Labor and certified by such Secretary to the Secretary of the Treasury) be equal to—

''(i) the amount which would have been required to have been transferred under this section to such account at the beginning of fiscal year 2002 if—

''(I) section 209(a)(1) of the Temporary Extended Unemployment Compensation Act of 2002 had been enacted before the close of fiscal year 2001, and

''(II) section 5402 of Public Law 105–33 (relating to increase in Federal unemployment account ceiling) had not been enacted,

minus

''(ii) the amount which was in fact transferred under this section to such account at the beginning of fiscal year 2002.

''(B) Notwithstanding the provisions of subparagraph (A)—

''(i) the aggregate amount transferred to the States under this subsection may not exceed a total of $8,000,000,000; and

''(ii) all amounts determined under subparagraph (A) shall be reduced ratably, if and to the extent necessary in order to comply with the limitation under clause (i).

''(3)(A) Except as provided in paragraph (4), amounts transferred to a State account pursuant to this subsection may be used only in the payment of cash benefits—

''(i) to individuals with respect to their unemployment, and

''(ii) which are allowable under subparagraph (B) or (C).

''(B)(i) At the option of the State, cash benefits under this paragraph may include amounts which shall be payable as—

''(I) regular compensation, or

''(II) additional compensation, upon the exhaustion of any temporary extended unemployment compensation (if such State has entered into an agreement under the Temporary Extended Unemployment Compensation Act of 2002), for individuals eligible for regular compensation under the unemployment compensation law of such State.

''(ii) Any additional compensation under clause (i) may not be taken into account for purposes of any determination relating to the amount of any extended compensation for which an individual might be eligible.

''(C)(i) At the option of the State, cash benefits under this paragraph may include amounts which shall be payable to 1 or more categories of individuals not otherwise eligible for regular compensation under the unemployment compensation law of such State, including those described in clause (iii).

''(ii) The benefits paid under this subparagraph to any individual may not, for any period of unemployment, exceed the maximum amount of regular compensation authorized under the unemployment compensation law of such State for that same period, plus any additional compensation (described in subparagraph (B)(i)) which could have been paid with respect to that amount.

''(iii) The categories of individuals described in this clause include the following:

''(I) Individuals who are seeking, or available for, only part-time (and not full-time) work.

''(II) Individuals who would be eligible for regular compensation under the unemployment compensation law of such State under an alternative base period.

''(D) Amounts transferred to a State account under this subsection may be used in the payment of cash benefits to individuals only for weeks of unemployment beginning after the date of enactment of this subsection.

''(4) Amounts transferred to a State account under this subsection may be used for the administration of its unemployment compensation law and public employment offices (including in connection with benefits described in paragraph (3) and any recipients thereof), subject to the same conditions as set forth in subsection (c)(2) (excluding subparagraph (B) thereof, and deeming the reference to 'subsections (a) and (b)' in subparagraph (D) thereof to include this subsection).

''(5) Transfers under this subsection shall be made within 10 days after the date of enactment of this paragraph.''.

(c) LIMITATIONS ON TRANSFERS.—Section 903(b) of the Social Security Act shall apply to transfers under section 903(d) of such Act (as amended by this section). For purposes of the preceding sentence, such section 903(b) shall be deemed to be amended as follows:

(1) By substituting ''the transfer date described in subsection (d)(5)'' for ''October 1 of any fiscal year''.

(2) By substituting ''remain in the Federal unemployment account'' for ''be transferred to the Federal unemployment account as of the beginning of such October 1''.

(3) By substituting ''fiscal year 2002 (after the transfer date described in subsection (d)(5))'' for ''the fiscal year beginning on such October 1''.

(4) By substituting ''under subsection (d)'' for ''as of October 1 of such fiscal year''.

(5) By substituting ''(as of the close of fiscal year 2002)'' for ''(as of the close of such fiscal year)''.

(d) TECHNICAL AMENDMENTS.—(1) Sections 3304(a)(4)(B) and 3306(f)(2) of the Internal Revenue Code of 1986 are amended by inserting ''or 903(d)(4)'' before ''of the Social Security Act''.

(2) Section 303(a)(5) of the Social Security Act is amended in the second proviso by inserting ''or 903(d)(4)'' after ''903(c)(2)''.

(e) REGULATIONS.—The Secretary of Labor may prescribe any operating instructions or regulations necessary to carry out this section and the amendments made by this section.

TITLE III—TAX INCENTIVES FOR NEW YORK CITY AND DISTRESSED AREAS

SEC. 301. TAX BENEFITS FOR AREA OF NEW YORK CITY DAMAGED IN TERRORIST ATTACKS ON SEPTEMBER 11, 2001.

(a) IN GENERAL.—Chapter 1 is amended by adding at the end the following new subchapter:

''Subchapter Y—New York Liberty Zone Benefits

''Sec. 1400L. Tax benefits for New York Liberty Zone.

''SEC. 1400L. TAX BENEFITS FOR NEW YORK LIBERTY ZONE.

''(a) EXPANSION OF WORK OPPORTUNITY TAX CREDIT.—

''(1) IN GENERAL.—For purposes of section 51, a New York Liberty Zone business employee shall be treated as a member of a targeted group.

''(2) NEW YORK LIBERTY ZONE BUSINESS EMPLOYEE.—For purposes of this subsection—

''(A) IN GENERAL.—The term 'New York Liberty Zone business employee' means, with respect to any period, any employee of a New York Liberty Zone business if substantially all the services performed during such period by such employee for such business are performed in the New York Liberty Zone.

''(B) INCLUSION OF CERTAIN EMPLOYEES OUTSIDE THE NEW YORK LIBERTY ZONE.—

''(i) IN GENERAL.—In the case of a New York Liberty Zone business described in subclause (II) of subparagraph (C)(i), the term 'New York Liberty Zone business employee' includes any employee of such business (not described in subparagraph (A)) if substantially all the services performed during such period by such employee for such business are performed in the City of New York, New York.

''(ii) LIMITATION.—The number of employees of such a business that are treated as New York Liberty zone business employees on any day by reason of clause (i) shall not exceed the excess of—

''(I) the number of employees of such business on September 11, 2001, in the New York Liberty Zone, over

''(II) the number of New York Liberty Zone business employees (determined without regard to this subparagraph) of such business on the day to which the limitation is being applied.

The Secretary may require any trade or business to have the number determined under subclause (I) verified by the New York State Department of Labor.

''(C) NEW YORK LIBERTY ZONE BUSINESS.—

''(i) IN GENERAL.—The term 'New York Liberty Zone business' means any trade or business which is—

''(I) located in the New York Liberty Zone, or

''(II) located in the City of New York, New York, outside the New York Liberty Zone, as a result of the physical destruction or damage of such place of business by the September 11, 2001, terrorist attack.

''(ii) CREDIT NOT ALLOWED FOR LARGE BUSINESSES.—The term 'New York Liberty Zone business' shall not include any trade or business for any taxable year if such trade or business employed an average of more than 200 employees on business days during the taxable year.

''(D) SPECIAL RULES FOR DETERMINING AMOUNT OF CREDIT.—For purposes of applying subpart F of part IV of subchapter B of this chapter to wages paid or incurred to any New York Liberty Zone business employee—

''(i) section 51(a) shall be applied by substituting 'qualified wages' for 'qualified first-year wages',

''(ii) the rules of section 52 shall apply for purposes of determining the number of employees under subparagraph (B),

''(iii) subsections (c)(4) and (i)(2) of section 51 shall not apply, and

''(iv) in determining qualified wages, the following shall apply in lieu of section 51(b):

''(I) QUALIFIED WAGES.—The term 'qualified wages' means wages paid or incurred by the employer to individuals who are New York Liberty Zone business employees of such employer for work performed during calendar year 2002 or 2003.

''(II) ONLY FIRST $6,000 OF WAGES PER CALENDAR YEAR TAKEN INTO ACCOUNT.—The amount of the qualified wages which may be taken into account with respect to any individual shall not exceed $6,000 per calendar year.

''(b) SPECIAL ALLOWANCE FOR CERTAIN PROPERTY ACQUIRED AFTER SEPTEMBER 10, 2001.—

''(1) ADDITIONAL ALLOWANCE.—In the case of any qualified New York Liberty Zone property—

''(A) the depreciation deduction provided by section 167(a) for the taxable year in which such property is placed in service shall include an allowance equal to 30 percent of the adjusted basis of such property, and

''(B) the adjusted basis of the qualified New York Liberty Zone property shall be reduced by the amount of such deduction before computing the amount otherwise allowable as a depreciation deduction under this chapter for such taxable year and any subsequent taxable year.

''(2) QUALIFIED NEW YORK LIBERTY ZONE PROPERTY.—For purposes of this subsection—

''(A) IN GENERAL.—The term 'qualified New York Liberty Zone property' means property—

''(i)(I) which is described in section 168(k)(2)(A)(i), or

''(II) which is nonresidential real property, or residential rental property, which is described in subparagraph (B),

''(ii) substantially all of the use of which is in the New York Liberty Zone and is in the active conduct of a trade or business by the taxpayer in such Zone,

''(iii) the original use of which in the New York Liberty Zone commences with the taxpayer after September 10, 2001,

''(iv) which is acquired by the taxpayer by purchase (as defined in section 179(d)) after September 10, 2001, but only if no written binding contract for the acquisition was in effect before September 11, 2001, and

''(v) which is placed in service by the taxpayer on or before the termination date.

The term 'termination date' means December 31, 2006 (December 31, 2009, in the case of nonresidential real property and residential rental property).

''(B) ELIGIBLE REAL PROPERTY.—Nonresidential real property or residential rental property is described in this subparagraph only to the extent it rehabilitates real property damaged, or replaces real property destroyed or condemned, as a result of the September 11, 2001, terrorist attack. For purposes of the preceding sentence, property shall be treated as replacing real property destroyed or condemned if, as part of an integrated plan, such property replaces real property which is included in a continuous area which includes real property destroyed or condemned.

''(C) EXCEPTIONS.—

''(i) 30 PERCENT ADDITIONAL ALLOWANCE PROPERTY.—Such term shall not include property to which section 168(k) applies.

''(ii) ALTERNATIVE DEPRECIATION PROPERTY.—The term 'qualified New York Liberty Zone property' shall not include any property described in section 168(k)(2)(C)(i).

''(iii) QUALIFIED NEW YORK LIBERTY ZONE LEASEHOLD IMPROVEMENT PROPERTY.—Such term shall not include any qualified New York Liberty Zone leasehold improvement property.

''(iv) ELECTION OUT.—For purposes of this subsection, rules similar to the rules of section 168(k)(2)(C)(iii) shall apply.

''(D) SPECIAL RULES.—For purposes of this subsection, rules similar to the rules of section 168(k)(2)(D) shall apply, except that clause (i) thereof shall be applied without regard to 'and before September 11, 2004'.

''(E) ALLOWANCE AGAINST ALTERNATIVE MINIMUM TAX.—For purposes of this subsection, rules similar to the rules of section 168(k)(2)(F) shall apply.

''(c) 5-YEAR RECOVERY PERIOD FOR DEPRECIATION OF CERTAIN LEASEHOLD IMPROVEMENTS.—

''(1) IN GENERAL.—For purposes of section 168, the term '5-year property' includes any qualified New York Liberty Zone leasehold improvement property.

''(2) QUALIFIED NEW YORK LIBERTY ZONE LEASEHOLD IMPROVEMENT PROPERTY.—For purposes of this section, the term 'qualified New York Liberty Zone leasehold improvement property' means qualified leasehold improvement property (as defined in section 168(k)(3)) if—

''(A) such building is located in the New York Liberty Zone,

''(B) such improvement is placed in service after September 10, 2001, and before January 1, 2007, and

''(C) no written binding contract for such improvement was in effect before September 11, 2001.

''(3) REQUIREMENT TO USE STRAIGHT LINE METHOD.—The applicable depreciation method under section 168 shall be the straight line method in the case of qualified New York Liberty Zone leasehold improvement property.

''(4) 9-YEAR RECOVERY PERIOD UNDER ALTERNATIVE SYSTEM.—For purposes of section 168(g), the class life of qualified New York Liberty Zone leasehold improvement property shall be 9 years.

''(d) TAX-EXEMPT BOND FINANCING.—

''(1) IN GENERAL.—For purposes of this title, any qualified New York Liberty Bond shall be treated as an exempt facility bond.

''(2) QUALIFIED NEW YORK LIBERTY BOND.—For purposes of this subsection, the term 'qualified New York Liberty Bond' means any bond issued as part of an issue if—

''(A) 95 percent or more of the net proceeds (as defined in section 150(a)(3)) of such issue are to be used for qualified project costs,

''(B) such bond is issued by the State of New York or any political subdivision thereof,

''(C) the Governor or the Mayor designates such bond for purposes of this section, and

''(D) such bond is issued after the the date of the enactment of this section and before January 1, 2005.

''(3) LIMITATIONS ON AMOUNT OF BONDS.—

''(A) AGGREGATE AMOUNT DESIGNATED.—The maximum aggregate face amount of bonds which may be designated under this subsection shall not exceed $8,000,000,000, of which not to exceed $4,000,000,000 may be designated by the Governor and not to exceed $4,000,000,000 may be designated by the Mayor.

''(B) SPECIFIC LIMITATIONS.—The aggregate face amount of bonds issued which are to be used for—

''(i) costs for property located outside the New York Liberty Zone shall not exceed $2,000,000,000,

''(ii) residential rental property shall not exceed $1,600,000,000, and

''(iii) costs with respect to property used for retail sales of tangible property and functionally related and subordinate property shall not exceed $800,000,000.

The limitations under clauses (i), (ii), and (iii) shall be allocated proportionately between the bonds designated by the Governor and the bonds designated by the Mayor in proportion to the respective amounts of bonds designated by each.

''(C) MOVABLE PROPERTY.—No bonds shall be issued which are to be used for movable fixtures and equipment.

''(4) QUALIFIED PROJECT COSTS.—For purposes of this subsection—

''(A) IN GENERAL.—The term 'qualified project costs' means the cost of acquisition, construction, reconstruction, and renovation of—

''(i) nonresidential real property and residential rental property (including fixed tenant improvements associated with such property) located in the New York Liberty Zone, and

''(ii) public utility property (as defined in section 168(i)(10)) located in the New York Liberty Zone.

''(B) COSTS FOR CERTAIN PROPERTY OUTSIDE ZONE INCLUDED.—Such term includes the cost of acquisition, construction, reconstruction, and renovation of nonresidential real property (including fixed tenant improvements associated with such property) located outside the New York Liberty Zone but within the City of New York, New York, if such property is part of a project which consists of at least 100,000 square feet of usable office or other commercial space located in a single building or multiple adjacent buildings.

''(5) SPECIAL RULES.—In applying this title to any qualified New York Liberty Bond, the following modifications shall apply:

''(A) Section 146 (relating to volume cap) shall not apply.

''(B) Section 147(d) (relating to acquisition of existing property not permitted) shall be applied by substituting '50 percent' for '15 percent' each place it appears.

''(C) Section 148(f)(4)(C) (relating to exception from rebate for certain proceeds to be used to finance construction expenditures) shall apply to the available construction proceeds of bonds issued under this section.

''(D) Repayments of principal on financing provided by the issue—

''(i) may not be used to provide financing, and

''(ii) must be used not later than the close of the 1st semiannual period beginning after the date of the repayment to redeem bonds which are part of such issue.

The requirement of clause (ii) shall be treated as met with respect to amounts received within 10 years after the date of issuance of the issue (or, in the case of a refunding bond, the date of issuance of the original bond) if such amounts are used by the close of such 10 years to redeem bonds which are part of such issue.

''(E) Section 57(a)(5) shall not apply.

''(6) SEPARATE ISSUE TREATMENT OF PORTIONS OF AN ISSUE.—This subsection shall not apply to the portion of an issue which (if issued as a separate issue) would be treated as a qualified bond or as a bond that is not a private activity bond (determined without regard to paragraph (1)), if the issuer elects to so treat such portion.

''(e) ADVANCE REFUNDINGS OF CERTAIN TAX-EXEMPT BONDS.—

''(1) IN GENERAL.—With respect to a bond described in paragraph (2) issued as part of an issue 90 percent (95 percent in the case of a bond described in paragraph (2)(C)) or more of the net proceeds (as defined in section 150(a)(3)) of which were used to finance facilities located within the City of New York, New York (or property which is functionally related and subordinate to facilities located within the City of New York for the furnishing of water), one additional advanced refunding after the date of the enactment of this section and before January 1, 2005, shall be allowed under the applicable rules of section 149(d) if—

''(A) the Governor or the Mayor designates the advance refunding bond for purposes of this subsection, and

''(B) the requirements of paragraph (4) are met.

''(2) BONDS DESCRIBED.—A bond is described in this paragraph if such bond was outstanding on September 11, 2001, and is—

''(A) a State or local bond (as defined in section 103(c)(1)) which is a general obligation of the City of New York, New York,

''(B) a State or local bond (as so defined) other than a private activity bond (as defined in section 141(a)) issued by the New York Municipal Water Finance Authority or the Metropolitan Transportation Authority of the State of New York, or

''(C) a qualified 501(c)(3) bond (as defined in section 145(a)) which is a qualified hospital bond (as defined in section 145(c)) issued by or on behalf of the State of New York or the City of New York, New York.

''(3) AGGREGATE LIMIT.—For purposes of paragraph (1), the maximum aggregate face amount of bonds which may be designated under this subsection by the Governor shall not exceed $4,500,000,000 and the maximum aggregate face amount of bonds which may be designated under this subsection by the Mayor shall not exceed $4,500,000,000.

''(4) ADDITIONAL REQUIREMENTS.—The requirements of this paragraph are met with respect to any advance refunding of a bond described in paragraph (2) if—

''(A) no advance refundings of such bond would be allowed under any provision of law after September 11, 2001,

''(B) the advance refunding bond is the only other outstanding bond with respect to the refunded bond, and

''(C) the requirements of section 148 are met with respect to all bonds issued under this subsection.

''(f) INCREASE IN EXPENSING UNDER SECTION 179.—

''(1) IN GENERAL.—For purposes of section 179—

''(A) the limitation under section 179(b)(1) shall be increased by the lesser of—

''(i) $35,000, or

''(ii) the cost of section 179 property which is qualified New York Liberty Zone property placed in service during the taxable year, and

''(B) the amount taken into account under section 179(b)(2) with respect to any section 179 property which is qualified New York Liberty Zone property shall be 50 percent of the cost thereof.

''(2) QUALIFIED NEW YORK LIBERTY ZONE PROPERTY.—For purposes of this subsection, the term 'qualified New York Liberty Zone property' has the meaning given such term by subsection (b)(2).

''(3) RECAPTURE.—Rules similar to the rules under section 179(d)(10) shall apply with respect to any qualified New York Liberty Zone property which ceases to be used in the New York Liberty Zone.

''(g) EXTENSION OF REPLACEMENT PERIOD FOR NONRECOGNITION OF GAIN.—Notwithstanding subsections (g) and (h) of section 1033, clause (i) of section 1033(a)(2)(B) shall be applied by substituting '5 years' for '2 years' with respect to property which is compulsorily or involuntarily converted as a result of the terrorist attacks on September 11, 2001, in the New York Liberty Zone but only if substantially all of the use of the replacement property is in the City of New York, New York.

''(h) NEW YORK LIBERTY ZONE.—For purposes of this section, the term 'New York Liberty Zone' means the area located on or south of Canal Street, East Broadway (east of its intersection with Canal Street), or Grand Street (east of its intersection with East Broadway) in the Borough of Manhattan in the City of New York, New York.

''(i) REFERENCES TO GOVERNOR AND MAYOR.—For purposes of this section, the terms 'Governor' and 'Mayor' mean the Governor of the State of New York and the Mayor of the City of New York, New York, respectively.''.

(b) CREDIT ALLOWED AGAINST REGULAR AND MINIMUM TAX.—

(1) IN GENERAL.—Subsection (c) of section 38 (relating to limitation based on amount of tax) is amended by redesignating paragraph (3) as paragraph (4) and by inserting after paragraph (2) the following new paragraph:

''(3) SPECIAL RULES FOR NEW YORK LIBERTY ZONE BUSINESS EMPLOYEE CREDIT.—

''(A) IN GENERAL.—In the case of the New York Liberty Zone business employee credit—

''(i) this section and section 39 shall be applied separately with respect to such credit, and

''(ii) in applying paragraph (1) to such credit—

''(I) the tentative minimum tax shall be treated as being zero, and

''(II) the limitation under paragraph (1) (as modified by subclause (I)) shall be reduced by the credit allowed under subsection (a) for the taxable year (other than the New York Liberty Zone business employee credit).

''(B) NEW YORK LIBERTY ZONE BUSINESS EMPLOYEE CREDIT.—For purposes of this subsection, the term 'New York Liberty Zone business employee credit' means the portion of work opportunity credit under section 51 determined under section 1400L(a).''.

(2) CONFORMING AMENDMENT.—Subclause (II) of section 38(c)(2)(A)(ii) is amended by inserting ''or the New York Liberty Zone business employee credit'' after ''employment credit''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to taxable years ending after December 31, 2001.

(c) CLERICAL AMENDMENT.—The table of subchapters for chapter 1 is amended by adding at the end the following new item:

''Subchapter Y—New York Liberty Zone Benefits.''.

TITLE IV—MISCELLANEOUS AND TECHNICAL PROVISIONS

Subtitle A—General Miscellaneous Provisions

SEC. 401. ALLOWANCE OF ELECTRONIC 1099'S.

Any person required to furnish a statement under any section of subpart B of part III of subchapter A of chapter 61 of the Internal Revenue Code of 1986 for any taxable year ending after the date of the enactment of this Act, may electronically furnish such statement (without regard to any first class mailing requirement) to any recipient who has consented to the electronic provision of the statement in a manner similar to the one permitted under regulations issued under section 6051 of such Code or in such other manner as provided by the Secretary.

SEC. 402. EXCLUDED CANCELLATION OF INDEBTEDNESS INCOME OF S CORPORATION NOT TO RESULT IN ADJUSTMENT TO BASIS OF STOCK OF SHAREHOLDERS.

(a) IN GENERAL.—Subparagraph (A) of section 108(d)(7) (relating to certain provisions to be applied at corporate level) is amended by inserting before the period '', including by not taking into account under section 1366(a) any amount excluded under subsection (a) of this section''.

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendment made by this section shall apply to discharges of indebtedness after October 11, 2001, in taxable years ending after such date.

(2) EXCEPTION.—The amendment made by this section shall not apply to any discharge of indebtedness before March 1, 2002, pursuant to a plan of reorganization filed with a bankruptcy court on or before October 11, 2001.

SEC. 403. LIMITATION ON USE OF NONACCRUAL EXPERIENCE METHOD OF ACCOUNTING.

(a) IN GENERAL.—Paragraph (5) of section 448(d) is amended to read as follows:

''(5) SPECIAL RULE FOR CERTAIN SERVICES.—

''(A) IN GENERAL.—In the case of any person using an accrual method of accounting with respect to amounts to be received for the performance of services by such person, such person shall not be required to accrue any portion of such amounts which (on the basis of such person's experience) will not be collected if—

''(i) such services are in fields referred to in paragraph (2)(A), or

''(ii) such person meets the gross receipts test of subsection (c) for all prior taxable years.

''(B) EXCEPTION.—This paragraph shall not apply to any amount if interest is required to be paid on such amount or there is any penalty for failure to timely pay such amount.

''(C) REGULATIONS.—The Secretary shall prescribe regulations to permit taxpayers to determine amounts referred to in subparagraph (A) using computations or formulas which, based on experience, accurately reflect the amount of income that will not be collected by such person. A taxpayer may adopt, or request consent of the Secretary to change to, a computation or formula that clearly reflects the taxpayer's experience. A request under the preceding sentence shall be approved if such computation or formula clearly reflects the taxpayer's experience.''.

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

(2) CHANGE IN METHOD OF ACCOUNTING.—In the case of any taxpayer required by the amendments made by this section to change its method of accounting for its first taxable year ending after the date of the enactment of this Act—

(A) such change shall be treated as initiated by the taxpayer,

(B) such change shall be treated as made with the consent of the Secretary of the Treasury, and

(C) the net amount of the adjustments required to be taken into account by the taxpayer under section 481 of the Internal Revenue Code of 1986 shall be taken into account over a period of 4 years (or if less, the number of taxable years that the taxpayer used the method permitted under section 448(d)(5) of such Code as in effect before the date of the enactment of this Act) beginning with such first taxable year.

SEC. 404. EXCLUSION FOR FOSTER CARE PAYMENTS TO APPLY TO PAYMENTS BY QUALIFIED PLACEMENT AGENCIES.

(a) IN GENERAL.—The matter preceding subparagraph (B) of section 131(b)(1) (defining qualified foster care payment) is amended to read as follows:

''(1) IN GENERAL.—The term 'qualified foster care payment' means any payment made pursuant to a foster care program of a State or political subdivision thereof—

''(A) which is paid by—

''(i) a State or political subdivision thereof, or

''(ii) a qualified foster care placement agency, and''.

(b) QUALIFIED FOSTER INDIVIDUALS TO INCLUDE INDIVIDUALS PLACED BY QUALIFIED PLACEMENT AGENCIES.—Subparagraph (B) of section 131(b)(2) (defining qualified foster individual) is amended to read as follows:

''(B) a qualified foster care placement agency.''.

(c) QUALIFIED FOSTER CARE PLACEMENT AGENCY DEFINED.—Subsection (b) of section 131 is amended by redesignating paragraph (3) as paragraph (4) and by inserting after paragraph (2) the following new paragraph:

''(3) QUALIFIED FOSTER CARE PLACEMENT AGENCY.—The term 'qualified foster care placement agency' means any placement agency which is licensed or certified by—

''(A) a State or political subdivision thereof, or

''(B) an entity designated by a State or political subdivision thereof,

for the foster care program of such State or political subdivision to make foster care payments to providers of foster care.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SEC. 405. INTEREST RATE RANGE FOR ADDITIONAL FUNDING REQUIREMENTS.

(a) AMENDMENTS TO THE INTERNAL REVENUE CODE OF 1986.—

(1) SPECIAL RULE.—Clause (i) of section 412(l)(7)(C) (relating to interest rate) is amended by adding at the end the following new subclause:

''(III) SPECIAL RULE FOR 2002 AND 2003.—For a plan year beginning in 2002 or 2003, notwithstanding subclause (I), in the case that the rate of interest used under subsection (b)(5) exceeds the highest rate permitted under subclause (I), the rate of interest used to determine current liability under this subsection may exceed the rate of interest otherwise permitted under subclause (I); except that such rate of interest shall not exceed 120 percent of the weighted average referred to in subsection (b)(5)(B)(ii).''.

(2) QUARTERLY CONTRIBUTIONS.—Subsection (m) of section 412 is amended by adding at the end the following new paragraph:

''(7) SPECIAL RULES FOR 2002 AND 2004.—In any case in which the interest rate used to determine current liability is determined under subsection (l)(7)(C)(i)(III)—

''(A) 2002.—For purposes of applying paragraphs (1) and (4)(B)(ii) for plan years beginning in 2002, the current liability for the preceding plan year shall be redetermined using 120 percent as the specified percentage determined under subsection (l)(7)(C)(i)(II).

''(B) 2004.—For purposes of applying paragraphs (1) and (4)(B)(ii) for plan years beginning in 2004, the current liability for the preceding plan year shall be redetermined using 105 percent as the specified percentage determined under subsection (l)(7)(C)(i)(II).''.

(b) AMENDMENTS TO THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.—

(1) SPECIAL RULE.—Clause (i) of section 302(d)(7)(C) of such Act (29 U.S.C. 1082(d)(7)(C)) is amended by adding at the end the following new subclause:

''(III) SPECIAL RULE FOR 2002 AND 2003.—For a plan year beginning in 2002 or 2003, notwithstanding subclause (I), in the case that the rate of interest used under subsection (b)(5) exceeds the highest rate permitted under subclause (I), the rate of interest used to determine current liability under this subsection may exceed the rate of interest otherwise permitted under subclause (I); except that such rate of interest shall not exceed 120 percent of the weighted average referred to in subsection (b)(5)(B)(ii).''.

(2) QUARTERLY CONTRIBUTIONS.—Subsection (e) of section 302 of such Act (29 U.S.C. 1082) is amended by adding at the end the following new paragraph:

''(7) SPECIAL RULES FOR 2002 AND 2004.—In any case in which the interest rate used to determine current liability is determined under subsection (d)(7)(C)(i)(III)—

''(A) 2002.—For purposes of applying paragraphs (1) and (4)(B)(ii) for plan years beginning in 2002, the current liability for the preceding plan year shall be redetermined using 120 percent as the specified percentage determined under subsection (d)(7)(C)(i)(II).

''(B) 2004.—For purposes of applying paragraphs (1) and (4)(B)(ii) for plan years beginning in 2004, the current liability for the preceding plan year shall be redetermined using 105 percent as the specified percentage determined under subsection (d)(7)(C)(i)(II).''.

(c) PBGC.—Clause (iii) of section 4006(a)(3)(E) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1306(a)(3)(E)) is amended by adding at the end the following new subclause:

''(IV) In the case of plan years beginning after December 31, 2001, and before January 1, 2004, subclause (II) shall be applied by substituting '100 percent' for '85 percent'. Subclause (III) shall be applied for such years without regard to the preceding sentence. Any reference to this clause by any other sections or subsections shall be treated as a reference to this clause without regard to this subclause.''.

SEC. 406. ADJUSTED GROSS INCOME DETERMINED BY TAKING INTO ACCOUNT CERTAIN EXPENSES OF ELEMENTARY AND SECONDARY SCHOOL TEACHERS.

(a) IN GENERAL.—Section 62(a)(2) (relating to certain trade and business deductions of employees) is amended by adding at the end the following:

''(D) CERTAIN EXPENSES OF ELEMENTARY AND SECONDARY SCHOOL TEACHERS.—In the case of taxable years beginning during 2002 or 2003, the deductions allowed by section 162 which consist of expenses, not in excess of $250, paid or incurred by an eligible educator in connection with books, supplies (other than nonathletic supplies for courses of instruction in health or physical education), computer equipment (including related software and services) and other equipment, and supplementary materials used by the eligible educator in the classroom.''.

(b) ELIGIBLE EDUCATOR.—Section 62 is amended by adding at the end the following:

''(d) DEFINITION; SPECIAL RULES.—

''(1) ELIGIBLE EDUCATOR.—

''(A) IN GENERAL.—For purposes of subsection (a)(2)(D), the term 'eligible educator' means, with respect to any taxable year, an individual who is a kindergarten through grade 12 teacher, instructor, counselor, principal, or aide in a school for at least 900 hours during a school year.

''(B) SCHOOL.—The term 'school' means any school which provides elementary education or secondary education (kindergarten through grade 12), as determined under State law.

''(2) COORDINATION WITH EXCLUSIONS.—A deduction shall be allowed under subsection (a)(2)(D) for expenses only to the extent the amount of such expenses exceeds the amount excludable under section 135, 529(c)(1), or 530(d)(2) for the taxable year.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

Subtitle B—Technical Corrections

SEC. 411. AMENDMENTS RELATED TO ECONOMIC GROWTH AND TAX RELIEF RECONCILIATION ACT OF 2001.

(a) AMENDMENTS RELATED TO SECTION 101 OF THE ACT.—

(1) IN GENERAL.—Subsection (b) of section 6428 is amended to read as follows:

''(b) CREDIT TREATED AS NONREFUNDABLE PERSONAL CREDIT.—For purposes of this title, the credit allowed under this section shall be treated as a credit allowable under subpart A of part IV of subchapter A of chapter 1.''.

(2) CONFORMING AMENDMENTS.—

(A) Subsection (d) of section 6428 is amended to read as follows:

''(d) COORDINATION WITH ADVANCE REFUNDS OF CREDIT.—

''(1) IN GENERAL.—The amount of credit which would (but for this paragraph) be allowable under this section shall be reduced (but not below zero) by the aggregate refunds and credits made or allowed to the taxpayer under subsection (e). Any failure to so reduce the credit shall be treated as arising out of a mathematical or clerical error and assessed according to section 6213(b)(1).

''(2) JOINT RETURNS.—In the case of a refund or credit made or allowed under subsection (e) with respect to a joint return, half of such refund or credit shall be treated as having been made or allowed to each individual filing such return.''.

(B) Paragraph (2) of section 6428(e) is amended to read as follows:

''(2) ADVANCE REFUND AMOUNT.—For purposes of paragraph (1), the advance refund amount is the amount that would have been allowed as a credit under this section for such first taxable year if—

''(A) this section (other than subsections (b) and (d) and this subsection) had applied to such taxable year, and

''(B) the credit for such taxable year were not allowed to exceed the excess (if any) of—

''(i) the sum of the regular tax liability (as defined in section 26(b)) plus the tax imposed by section 55, over

''(ii) the sum of the credits allowable under part IV of subchapter A of chapter 1 (other than the credits allowable under subpart C thereof, relating to refundable credits).''.

(b) AMENDMENT RELATED TO SECTION 201 OF THE ACT.—Subparagraph (B) of section 24(d)(1) is amended by striking ''amount of credit allowed by this section'' and inserting ''aggregate amount of credits allowed by this subpart''.

(c) AMENDMENTS RELATED TO SECTION 202 OF THE ACT.—

(1) CORRECTIONS TO CREDIT FOR ADOPTION EXPENSES.—

(A) Paragraph (1) of section 23(a) is amended to read as follows:

''(1) IN GENERAL.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter the amount of the qualified adoption expenses paid or incurred by the taxpayer.''.

(B) Subsection (a) of section 23 is amended by adding at the end the following new paragraph:

''(3) $10,000 CREDIT FOR ADOPTION OF CHILD WITH SPECIAL NEEDS REGARDLESS OF EXPENSES.—In the case of an adoption of a child with special needs which becomes final during a taxable year, the taxpayer shall be treated as having paid during such year qualified adoption expenses with respect to such adoption in an amount equal to the excess (if any) of $10,000 over the aggregate qualified adoption expenses actually paid or incurred by the taxpayer with respect to such adoption during such taxable year and all prior taxable years.''.

(C) Paragraph (2) of section 23(a) is amended by striking the last sentence.

(D) Paragraph (1) of section 23(b) is amended by striking ''subsection (a)(1)(A)'' and inserting ''subsection (a)''.

(E) Subsection (i) of section 23 is amended by striking ''the dollar limitation in subsection (b)(1)'' and inserting ''the dollar amounts in subsections (a)(3) and (b)(1)''.

(F) Expenses paid or incurred during any taxable year beginning before January 1, 2002, may be taken into account in determining the credit under section 23 of the Internal Revenue Code of 1986 only to the extent the aggregate of such expenses does not exceed the applicable limitation under section 23(b)(1) of such Code as in effect on the day before the date of the enactment of the Economic Growth and Tax Relief Reconciliation Act of 2001.

(2) CORRECTIONS TO EXCLUSION FOR EMPLOYER-PROVIDED ADOPTION ASSISTANCE.—

(A) Subsection (a) of section 137 is amended to read as follows:

''(a) EXCLUSION.—

''(1) IN GENERAL.—Gross income of an employee does not include amounts paid or expenses incurred by the employer for qualified adoption expenses in connection with the adoption of a child by an employee if such amounts are furnished pursuant to an adoption assistance program.

''(2) $10,000 EXCLUSION FOR ADOPTION OF CHILD WITH SPECIAL NEEDS REGARDLESS OF EXPENSES.—In the case of an adoption of a child with special needs which becomes final during a taxable year, the qualified adoption expenses with respect to such adoption for such year shall be increased by an amount equal to the excess (if any) of $10,000 over the actual aggregate qualified adoption expenses with respect to such adoption during such taxable year and all prior taxable years.''.

(B) Paragraph (2) of section 137(b) is amended by striking ''subsection (a)(1)'' and inserting ''subsection (a)''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to taxable years beginning after December 31, 2002; except that the amendments made by paragraphs (1)(C), (1)(D), and (2)(B) shall apply to taxable years beginning after December 31, 2001.

(d) AMENDMENTS RELATED TO SECTION 205 OF THE ACT.—

(1) Section 45F(d)(4)(B) is amended by striking ''subpart A, B, or D of this part'' and inserting ''this chapter or for purposes of section 55''.

(2) Section 38(b)(15) is amended by striking ''45F'' and inserting ''45F(a)''.

(e) AMENDMENTS RELATED TO SECTION 301 OF THE ACT.—

(1) Section 63(c)(2) is amended—

(A) in subparagraph (A), by striking ''subparagraph (C)'' and inserting ''subparagraph (D)'',

(B) by striking ''or'' at the end of subparagraph (B),

(C) by redesignating subparagraph (C) as subparagraph (D),

(D) by inserting after subparagraph (B) the following new subparagraph:

''(C) one-half of the amount in effect under subparagraph (A) in the case of a married individual filing a separate return, or'', and

(E) by inserting the following flush sentence at the end:

''If any amount determined under subparagraph (A) is not a multiple of $50, such amount shall be rounded to the next lowest multiple of $50.''.

(2)(A) Section 63(c)(4) is amended by striking ''paragraph (2) or (5)'' and inserting ''paragraph (2)(B), (2)(D), or (5)''.

(B) Section 63(c)(4)(B)(i) is amended by striking ''paragraph (2)'' and inserting ''paragraph (2)(B), (2)(D),''.

(C) Section 63(c)(4) is amended by striking the flush sentence at the end (as added by section 301(c)(2) of Public Law 107–17).

(f) AMENDMENT RELATED TO SECTION 401 OF THE ACT.—Section 530(d)(4)(B)(iv) is amended by striking ''because the taxpayer elected under paragraph (2)(C) to waive the application of paragraph (2)'' and inserting ''by application of paragraph (2)(C)(i)(II)''.

(g) AMENDMENTS RELATED TO SECTION 511 OF THE ACT.—

(1) Section 2511(c) is amended by striking ''taxable gift under section 2503,'' and inserting ''transfer of property by gift,''.

(2) Section 2101(b) is amended by striking the last sentence.

(h) AMENDMENT RELATED TO SECTION 532 OF THE ACT.—Section 2016 is amended by striking ''any State, any possession of the United States, or the District of Columbia,''.

(i) AMENDMENTS RELATING TO SECTION 602 OF THE ACT.—

(1) Subparagraph (A) of section 408(q)(3) is amended to read as follows:

''(A) QUALIFIED EMPLOYER PLAN.—The term 'qualified employer plan' has the meaning given such term by section 72(p)(4)(A)(i); except that such term shall also include an eligible deferred compensation plan (as defined in section 457(b)) of an eligible employer described in section 457(e)(1)(A).''.

(2) Section 4(c) of Employee Retirement Income Security Act of 1974 is amended—

(A) by inserting ''and part 5 (relating to administration and enforcement)'' before the period at the end, and

(B) by adding at the end the following new sentence: ''Such provisions shall apply to such accounts and annuities in a manner similar to their application to a simplified employee pension under section 408(k) of the Internal Revenue Code of 1986.''.

(j) AMENDMENTS RELATING TO SECTION 611 OF THE ACT.—

(1) Section 408(k) is amended—

(A) in paragraph (2)(C) by striking ''$300'' and inserting ''$450'', and

(B) in paragraph (8) by striking ''$300'' both places it appears and inserting ''$450''.

(2) Section 409(o)(1)(C)(ii) is amended—

(A) by striking ''$500,000'' both places it appears and inserting ''$800,000'', and

(B) by striking ''$100,000'' and inserting ''$160,000''.

(3) Section 611(i) of the Economic Growth and Tax Relief Reconciliation Act of 2001 is amended by adding at the end the following new paragraph:

''(3) SPECIAL RULE.—In the case of plan that, on June 7, 2001, incorporated by reference the limitation of section 415(b)(1)(A) of the Internal Revenue Code of 1986, section 411(d)(6) of such Code and section 204(g)(1) of the Employee Retirement Income Security Act of 1974 do not apply to a plan amendment that—

''(A) is adopted on or before June 30, 2002,

''(B) reduces benefits to the level that would have applied without regard to the amendments made by subsection (a) of this section, and

''(C) is effective no earlier than the years described in paragraph (2).''.

(k) AMENDMENTS RELATING TO SECTION 613 OF THE ACT.—

(1) Section 416(c)(1)(C)(iii) is amended by striking ''EXCEPTION FOR FROZEN PLAN'' and inserting ''EXCEPTION FOR PLAN UNDER WHICH NO KEY EMPLOYEE (OR FORMER KEY EMPLOYEE) BENEFITS FOR PLAN YEAR''.

(2) Section 416(g)(3)(B) is amended by striking ''separation from service'' and inserting ''severance from employment''.

(l) AMENDMENTS RELATING TO SECTIONS 614 and 616 OF THE ACT.—

(1) Section 404(a)(12) is amended by striking ''(9),'' and inserting ''(9) and subsection (h)(1)(C),''.

(2) Section 404(n) is amended by striking ''subsection (a),'' and inserting ''subsection (a) or paragraph (1)(C) of subsection (h)''.

(3) Section 402(h)(2)(A) is amended by striking ''15 percent'' and inserting ''25 percent''.

(4) Section 404(a)(7)(C) is amended to read as follows:

''(C) PARAGRAPH NOT TO APPLY IN CERTAIN CASES.—

''(i) BENEFICIARY TEST.—This paragraph shall not have the effect of reducing the amount otherwise deductible under paragraphs (1), (2), and (3), if no employee is a beneficiary under more than 1 trust or under a trust and an annuity plan.

''(ii) ELECTIVE DEFERRALS.—If, in connection with 1 or more defined contribution plans and 1 or more defined benefit plans, no amounts (other than elective deferrals (as defined in section 402(g)(3))) are contributed to any of the defined contribution plans for the taxable year, then subparagraph (A) shall not apply with respect to any of such defined contribution plans and defined benefit plans.''.

(m) AMENDMENT RELATING TO SECTION 618 OF THE ACT.—Section 25B(d)(2)(A) is amended to read as follows:

''(A) IN GENERAL.—The qualified retirement savings contributions determined under paragraph (1) shall be reduced (but not below zero) by the aggregate distributions received by the individual during the testing period from any entity of a type to which contributions under paragraph (1) may be made. The preceding sentence shall not apply to the portion of any distribution which is not includible in gross income by reason of a trustee-to-trustee transfer or a rollover distribution.''.

(n) AMENDMENTS RELATING TO SECTION 619 OF THE ACT.—

(1) Section 45E(e)(1) is amended by striking ''(n)'' and inserting ''(m)''.

(2) Section 619(d) of the Economic Growth and Tax Relief Reconciliation Act of 2001 is amended by striking ''established'' and inserting ''first effective''.

(o) AMENDMENTS RELATING TO SECTION 631 OF THE ACT.—

(1) Section 402(g)(1) is amended by adding at the end the following:

''(C) CATCH-UP CONTRIBUTIONS.—In addition to subparagraph (A), in the case of an eligible participant (as defined in section 414(v)), gross income shall not include elective deferrals in excess of the applicable dollar amount under subparagraph (B) to the extent that the amount of

such elective deferrals does not exceed the applicable dollar amount under section 414(v)(2)(B)(i) for the taxable year (without regard to the treatment of the elective deferrals by an applicable employer plan under section 414(v)).''.

(2) Section 401(a)(30) is amended by striking ''402(g)(1)'' and inserting ''402(g)(1)(A)''.

(3) Section 414(v)(2) is amended by adding at the end the following:

''(D) AGGREGATION OF PLANS.—For purposes of this paragraph, plans described in clauses (i), (ii), and (iv) of paragraph (6)(A) that are maintained by the same employer (as determined under subsection (b), (c), (m) or (o)) shall be treated as a single plan, and plans described in clause (iii) of paragraph (6)(A) that are maintained by the same employer shall be treated as a single plan.''.

(4) Section 414(v)(3)(A)(i) is amended by striking ''section 402(g), 402(h), 403(b), 404(a), 404(h), 408(k), 408(p), 415, or 457'' and inserting ''section 401(a)(30), 402(h), 403(b), 408, 415(c), and 457(b)(2) (determined without regard to section 457(b)(3))''.

(5) Section 414(v)(3)(B) is amended by striking ''section 401(a)(4), 401(a)(26), 401(k)(3), 401(k)(11), 401(k)(12), 403(b)(12), 408(k), 408(p), 408B, 410(b), or 416'' and inserting ''section 401(a)(4), 401(k)(3), 401(k)(11), 403(b)(12), 408(k), 410(b), or 416''.

(6) Section 414(v)(4)(B) is amended by inserting before the period at the end the following: '', except that a plan described in clause (i) of section 410(b)(6)(C) shall not be treated as a plan of the employer until the expiration of the transition period with respect to such plan (as determined under clause (ii) of such section)''.

(7) Section 414(v)(5) is amended—

(A) by striking '', with respect to any plan year,'' in the matter preceding subparagraph (A),

(B) by amending subparagraph (A) to read as follows:

''(A) who would attain age 50 by the end of the taxable year,'', and

(C) in subparagraph (B) by striking ''plan year'' and inserting ''plan (or other applicable) year''.

(8) Section 414(v)(6)(C) is amended to read as follows:

''(C) EXCEPTION FOR SECTION 457 PLANS.—This subsection shall not apply to a participant for any year for which a higher limitation applies to the participant under section 457(b)(3).''.

(9) Section 457(e) is amended by adding at the end the following new paragraph:

''(18) COORDINATION WITH CATCH-UP CONTRIBUTIONS FOR INDIVIDUALS AGE 50 OR OLDER.—In the case of an individual who is an eligible participant (as defined by section 414(v)) and who is a participant in an eligible deferred compensation plan of an employer described in paragraph (1)(A), subsections (b)(3) and (c) shall be applied by substituting for the amount otherwise determined under the applicable subsection the greater of—

''(A) the sum of—

''(i) the plan ceiling established for purposes of subsection (b)(2) (without regard to subsection (b)(3)), plus

''(ii) the applicable dollar amount for the taxable year determined under section 414(v)(2)(B)(i), or

''(B) the amount determined under the applicable subsection (without regard to this paragraph).''.

(p) AMENDMENTS RELATING TO SECTION 632 OF THE ACT.—

(1) Section 403(b)(1) is amended in the matter following subparagraph (E) by striking ''then amounts contributed'' and all that follows and inserting the following:

''then contributions and other additions by such employer for such annuity contract shall be excluded from the gross income of the employee for the taxable year to the extent that the aggregate of such contributions and additions (when expressed as an annual addition (within the meaning of section 415(c)(2))) does not exceed the applicable limit under section 415. The amount actually distributed to any distributee under such contract shall be taxable to the distributee (in the year in which so distributed) under section 72 (relating to annuities). For purposes of applying the rules of this subsection to contributions and other additions by an employer for a taxable year, amounts transferred to a contract described in this paragraph by reason of a rollover contribution described in paragraph (8) of this subsection or section 408(d)(3)(A)(ii) shall not be considered contributed by such employer.''.

(2) Section 403(b) is amended by striking paragraph (6).

(3) Section 403(b)(3) is amended—

(A) in the first sentence by inserting the following before the period at the end: '', and which precedes the taxable year by no more than five years'', and

(B) in the second sentence by striking ''or any amount received by a former employee after the fifth taxable year following the taxable year in which such employee was terminated''.

(4) Section 415(c)(7) is amended to read as follows:

''(7) SPECIAL RULES RELATING TO CHURCH PLANS.—

''(A) ALTERNATIVE CONTRIBUTION LIMITATION.—

''(i) IN GENERAL.—Notwithstanding any other provision of this subsection, at the election of a participant who is an employee of a church or a convention or association of churches, including an organization described in section 414(e)(3)(B)(ii), contributions and other additions for an annuity contract or retirement income account described in section 403(b) with respect to such participant, when expressed as an annual addition to such participant's account, shall be treated as not exceeding the limitation of paragraph (1) if such annual addition is not in excess of $10,000.

''(ii) $40,000 AGGREGATE LIMITATION.—The total amount of additions with respect to any participant which may be taken into account for purposes of this subparagraph for all years may not exceed $40,000.

''(B) NUMBER OF YEARS OF SERVICE FOR DULY ORDAINED, COMMISSIONED, OR LICENSED MINISTERS OR LAY EMPLOYEES.—For purposes of this paragraph—

''(i) all years of service by—

''(I) a duly ordained, commissioned, or licensed minister of a church, or

''(II) a lay person,

as an employee of a church, a convention or association of churches, including an organization described in section 414(e)(3)(B)(ii), shall be considered as years of service for 1 employer, and

''(ii) all amounts contributed for annuity contracts by each such church (or convention or association of churches) or such organization during such years for such minister or lay person shall be considered to have been contributed by 1 employer.

''(C) FOREIGN MISSIONARIES.—In the case of any individual described in subparagraph (D) performing services outside the United States, contributions and other additions for an annuity contract or retirement income account described in section 403(b) with respect to such employee, when expressed as an annual addition to such employee's account, shall not be treated as exceeding the limitation of paragraph (1) if such annual addition is not in excess of the greater of $3,000 or the employee's includible compensation determined under section 403(b)(3).

''(D) ANNUAL ADDITION.—For purposes of this paragraph, the term 'annual addition' has the meaning given such term by paragraph (2).

''(E) CHURCH, CONVENTION OR ASSOCIATION OF CHURCHES.—For purposes of this paragraph, the terms 'church' and 'convention or association of churches' have the same meaning as when used in section 414(e).''.

(5) Section 457(e)(5) is amended to read as follows:

''(5) INCLUDIBLE COMPENSATION.—The term 'includible compensation' has the meaning given to the term 'participant's compensation' by section 415(c)(3).''.

(6) Section 402(g)(7)(B) is amended by striking ''2001.'' and inserting ''2001).''.

(q) AMENDMENTS RELATING TO SECTION 643 OF THE ACT.—

(1) Section 401(a)(31)(C)(i) is amended by inserting ''is a qualified trust which is part of a plan which is a defined contribution plan and'' before ''agrees''.

(2) Section 402(c)(2) is amended by adding at the end the following flush sentence:

''In the case of a transfer described in subparagraph (A) or (B), the amount transferred shall be treated as consisting first of the portion of such distribution that is includible in gross income (determined without regard to paragraph (1)).''.

(r) AMENDMENTS RELATING TO SECTION 648 OF THE ACT.—

(1) Section 417(e) is amended—

(A) in paragraph (1) by striking ''exceed the dollar limit under section 411(a)(11)(A)'' and inserting ''exceed the amount that can be distributed without the participant's consent under section 411(a)(11)'', and

(B) in paragraph (2)(A) by striking ''exceeds the dollar limit under section 411(a)(11)(A)'' and inserting ''exceeds the amount that can be distributed without the participant's consent under section 411(a)(11)''.

(2) Section 205(g) of the Employee Retirement Income Security Act of 1974 is amended—

(A) in paragraph (1) by striking ''exceed the dollar limit under section 203(e)(1)'' and inserting ''exceed the amount that can be distributed without the participant's consent under section 203(e)'', and

(B) in paragraph (2)(A) by striking ''exceeds the dollar limit under section 203(e)(1)'' and inserting ''exceeds the amount that can be distributed without the participant's consent under section 203(e)''.

(s) AMENDMENT RELATING TO SECTION 652 OF THE ACT.—Section 404(a)(1)(D)(iv) is amended by striking ''PLANS MAINTAINED BY PROFESSIONAL SERVICE EMPLOYERS'' and inserting ''SPECIAL RULE FOR TERMINATING PLANS''.

(t) AMENDMENTS RELATING TO SECTION 657 OF THE ACT.—Section 404(c)(3) of the Employee Retirement Income Security Act of 1974 is amended—

(1) by striking ''the earlier of'' in subparagraph (A) the second place it appears, and

(2) by striking ''if the transfer'' and inserting ''a transfer that''.

(u) AMENDMENTS RELATING TO SECTION 659 OF THE ACT.—

(1) Section 4980F is amended—

(A) in subsection (e)(1) by striking ''written notice'' and inserting ''the notice described in paragraph (2)'',

(B) by amending subsection (f)(2)(A) to read as follows:

''(A) any defined benefit plan described in section 401(a) which includes a trust exempt from tax under section 501(a), or'', and

(C) in subsection (f)(3) by striking ''significantly'' both places it appears.

(2) Section 204(h)(9) of the Employee Retirement Income Security Act of 1974 is amended by striking ''significantly'' both places it appears.

(3) Section 659(c)(3)(B) of the Economic Growth and Tax Relief Reconciliation Act of 2001 is amended by striking ''(or'' and inserting ''(and''.

(v) AMENDMENTS RELATING TO SECTION 661 OF THE ACT.—

(1) Section 412(c)(9)(B) is amended—

(A) in clause (ii) by striking ''125 percent'' and inserting ''100 percent'', and

(B) by adding at the end the following new clause:

''(iv) LIMITATION.—A change in funding method to use a prior year valuation, as provided in clause (ii), may not be made unless as of the valuation date within the prior plan year, the value of the assets of the plan are not less than 125 percent of the plan's current liability (as defined in paragraph (7)(B)).''.

(2) Section 302(c)(9)(B) of the Employee Retirement Income Security Act of 1974 is amended—

(A) in clause (ii) by striking ''125 percent'' and inserting ''100 percent'', and

(B) by adding at the end the following new clause:

''(iv) A change in funding method to use a prior year valuation, as provided in clause (ii), may not be made unless as of the valuation date within the prior plan year, the value of the assets of the plan are not less than 125 percent of the plan's current liability (as defined in paragraph (7)(B)).''.

(w) AMENDMENTS RELATING TO SECTION 662 OF THE ACT.—

(1) Section 404(k) is amended—

(A) in paragraph (1) by striking ''during the taxable year'',

(B) in paragraph (2)(B) by striking ''(A)(iii)'' and inserting ''(A)(iv)'',

(C) in paragraph (4)(B) by striking ''(iii)'' and inserting ''(iv)'', and

(D) by redesignating subparagraph (B) of paragraph (4) (as amended by subparagraph (C)) as subparagraph (C) of paragraph (4) and by inserting after subparagraph (A) the following new subparagraph:

''(B) REINVESTMENT DIVIDENDS.—For purposes of subparagraph (A), an applicable dividend reinvested pursuant to clause (iii)(II) of paragraph (2)(A) shall be treated as paid in the taxable year of the corporation in which such dividend is reinvested in qualifying employer securities or in which the election under clause (iii) of paragraph (2)(A) is made, whichever is later.''.

(2) Section 404(k) is amended by adding at the end the following new paragraph:

''(7) FULL VESTING.—In accordance with section 411, an applicable dividend described in clause (iii)(II) of paragraph (2)(A) shall be subject to the requirements of section 411(a)(1).''.

(x) EFFECTIVE DATE.—Except as provided in subsection (c), the amendments made by this section shall take effect as if included in the provisions of the Economic Growth and Tax Relief Reconciliation Act of 2001 to which they relate.

SEC. 412. AMENDMENTS RELATED TO COMMUNITY RENEWAL TAX RELIEF ACT OF 2000.

(a) AMENDMENT RELATED TO SECTION 101 OF THE ACT.—Section 469(i)(3)(E) is amended by striking clauses (ii), (iii), and (iv) and inserting the following:

''(ii) second to the portion of such loss to which subparagraph (C) applies,

''(iii) third to the portion of the passive activity credit to which subparagraph (B) or (D) does not apply,

''(iv) fourth to the portion of such credit to which subparagraph (B) applies, and''.

(b) AMENDMENT RELATED TO SECTION 306 OF THE ACT.—Section 151(c)(6)(C) is amended—

(1) by striking ''FOR EARNED INCOME CREDIT.—For purposes of section 32, an'' and inserting ''FOR PRINCIPAL PLACE OF ABODE REQUIREMENTS.—An'', and

(2) by striking ''requirement of section 32(c)(3)(A)(ii)'' and inserting ''principal place of abode requirements of section 2(a)(1)(B), section 2(b)(1)(A), and section 32(c)(3)(A)(ii)''.

(c) AMENDMENT RELATED TO SECTION 309 OF THE ACT.—Subparagraph (A) of section 358(h)(1) is amended to read as follows:

''(A) which is assumed by another person as part of the exchange, and''.

(d) AMENDMENTS RELATED TO SECTION 401 OF THE ACT.—

(1)(A) Section 1234A is amended by inserting ''or'' after the comma at the end of paragraph (1), by striking ''or'' at the end of paragraph (2), and by striking paragraph (3).

(B)(i) Section 1234B is amended in subsection (a)(1) and in subsection (b) by striking ''sale or exchange'' the first place it appears in each subsection and inserting ''sale, exchange, or termination''.

(ii) Section 1234B is amended by adding at the end the following new subsection:

''(f) CROSS REFERENCE.—

''For special rules relating to dealer securities futures contracts, see section 1256.''.

(2) Section 1091(e) is amended—

(A) in the heading, by striking ''SECURITIES.—'' and inserting ''SECURITIES AND SECURITIES FUTURES CONTRACTS TO SELL.—'',

(B) by inserting after ''closing of a short sale of'' the following: ''(or the sale, exchange, or termination of a securities futures contract to sell)'',

(C) in paragraph (2), by inserting after ''short sale of'' the following: ''(or securities futures contracts to sell)'', and

(D) by adding at the end the following:

''For purposes of this subsection, the term 'securities futures contract' has the meaning provided by section 1234B(c).''.

(3)(A) Section 1233(e)(2) is amended by striking ''and'' at the end of subparagraph (C), by striking the period and inserting ''; and'' at the end of subparagraph (D), and inserting after subparagraph (D) the following:

''(E) entering into a securities futures contract (as so defined) to sell shall be considered to be a short sale, and the settlement of such contract shall be considered to be the closing of such short sale.''.

(B) Section 1234B(b) is amended by inserting after ''or this section,'' the following: ''or in section 1233,''.

(e) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the provisions of the Community Renewal Tax Relief Act of 2000 to which they relate.

SEC. 413. AMENDMENTS RELATED TO THE TAX RELIEF EXTENSION ACT OF 1999.

(a) AMENDMENTS RELATED TO SECTION 545 OF THE ACT.—Section 857(b)(7) is amended—

(1) in clause (i) of subparagraph (B), by striking ''the amount of which'' and inserting ''to the extent the amount of the rents'', and

(2) in subparagraph (C), by striking ''if the amount'' and inserting ''to the extent the amount''.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in section 545 of the Tax Relief Extension Act of 1999.

SEC. 414. AMENDMENTS RELATED TO THE TAXPAYER RELIEF ACT OF 1997.

(a) AMENDMENTS RELATED TO SECTION 311 OF THE ACT.—Section 311(e) of the Taxpayer Relief Act of 1997 (Public Law 105–34; 111 Stat. 836) is amended—

(1) in paragraph (2)(A), by striking ''recognized'' and inserting ''included in gross income'', and

(2) by adding at the end the following new paragraph:

''(5) DISPOSITION OF INTEREST IN PASSIVE ACTIVITY.—Section 469(g)(1)(A) of the Internal Revenue Code of 1986 shall not apply by reason of an election made under paragraph (1).''.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in section 311 of the Taxpayer Relief Act of 1997.

SEC. 415. AMENDMENT RELATED TO THE BALANCED BUDGET ACT OF 1997.

(a) AMENDMENT RELATED TO SECTION 4006 OF THE ACT.—Section 26(b)(2) is amended by striking ''and'' at the end of subparagraph (P), by striking the period and inserting '', and'' at the end of subparagraph (Q), and by adding at the end the following new subparagraph:

''(R) section 138(c)(2) (relating to penalty for distributions from Medicare+Choice MSA not used for qualified medical expenses if minimum balance not maintained).''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in section 4006 of the Balanced Budget Act of 1997.

SEC. 416. OTHER TECHNICAL CORRECTIONS.

(a) COORDINATION OF ADVANCED PAYMENTS OF EARNED INCOME CREDIT.—

(1) Section 32(g)(2) is amended by striking ''subpart'' and inserting ''part''.

(2) The amendment made by this subsection shall take effect as if included in section 474 of the Tax Reform Act of 1984.

(b) SPECIAL RULE RELATED TO WASH SALE LOSSES.—

(1) Section 1256(f) is amended by adding at the end the following new paragraph:

''(5) SPECIAL RULE RELATED TO LOSSES.—Section 1091 (relating to loss from wash sales of stock or securities) shall not apply to any loss taken into account by reason of paragraph (1) of subsection (a).''.

(2) The amendment made by this subsection shall take effect as if included in section 5075 of the Technical and Miscellaneous Revenue Act of 1988.

(c) DISCLOSURE BY SOCIAL SECURITY ADMINISTRATION TO FEDERAL CHILD SUPPORT AGENCIES.—

(1) Section 6103(l)(8) is amended—

(A) in the heading, by striking ''STATE AND LOCAL'' and inserting ''FEDERAL, STATE, AND LOCAL'', and

(B) in subparagraph (A), by inserting ''Federal or'' before ''State or local''.

(2) The amendments made by this subsection shall take effect on the date of the enactment of this Act.

(d) TREATMENT OF SETTLEMENTS UNDER PARTNERSHIP AUDIT RULES.—

(1) The following provisions are each amended by inserting ''or the Attorney General (or his delegate)'' after ''Secretary'' each place it appears:

(A) Paragraphs (1) and (2) of section 6224(c).

(B) Section 6229(f)(2).

(C) Section 6231(b)(1)(C).

(D) Section 6234(g)(4)(A).

(2) The amendments made by this subsection shall apply with respect to settlement agreements entered into after the date of the enactment of this Act.

(e) AMENDMENT RELATED TO PROCEDURE AND ADMINISTRATION.—

(1) Section 6331(k)(3) (relating to no levy while certain offers pending or installment agreement pending or in effect) is amended to read as follows:

''(3) CERTAIN RULES TO APPLY.—Rules similar to the rules of—

''(A) paragraphs (3) and (4) of subsection (i), and

''(B) except in the case of paragraph (2)(C), paragraph (5) of subsection (i),

shall apply for purposes of this subsection.''.

(2) The amendment made by this subsection shall take effect on the date of the enactment of this Act.

(f) MODIFIED ENDOWMENT CONTRACTS.—Paragraph (2) of section 318(a) of the Community Renewal Tax Relief Act of 2000 (114 Stat. 2763A–645) is repealed, and clause (ii) of section 7702A(c)(3)(A) shall read and be applied as if the amendment made by such paragraph had not been enacted.

SEC. 417. CLERICAL AMENDMENTS.

(1) The subsection (g) of section 25B that relates to termination is redesignated as subsection (h).

(2) The second sentence of section 42(h)(3)(C) is amended by striking ''the amounts described in'' and all that follows through the period and inserting ''the amounts described in clauses (ii) through (iv) over the aggregate housing credit dollar amount allocated for such year.''.

(3) Clause (ii) of section 42(m)(1)(B) is amended by striking the second ''and'' at the end of subclause (II) and by inserting ''and'' at the end of subclause (III).

(4) Section 51A(c)(1) is amended by striking ''51(d)(10)'' and inserting ''51(d)(11)''.

(5) The flush sentence at the end of clause (ii) of section 56(a)(1)(A) is amended by striking ''such 1250'' and inserting ''such section 1250''.

(6) Section 151(c)(6)(B)(iii) is amended by inserting ''as'' before ''such terms''.

(7) Section 170(e)(6)(B)(i)(III) is amended by striking ''2000,'' and inserting ''2000),''.

(8) Section 172(b)(1)(F)(i) is amended—

(A) by striking ''3 years'' and inserting ''3 taxable years'', and

(B) by striking ''2 years'' and inserting ''2 taxable years''.

(9) Section 351(h)(1) is amended by inserting a comma after ''liability''.

(10) Section 475(g)(3) is amended by striking ''sections'' and inserting ''section''.

(11) Section 529(e)(3)(B)(i) is amended by striking ''subsection (b)(7)'' and inserting ''subsection (b)(6)''.

(12) Section 741 is amended by striking ''which have appreciated substantially in value''.

(13) Section 857(b)(7)(B)(i) is amended by striking ''subsection 856(d)'' and inserting ''section 856(d)''.

(14) Subparagraph (B) of section 943(e)(4) is amended by aligning the left margin of the flush language with subparagraph (A).

(15) Subparagraph (B) of section 995(b)(3) is amended by striking ''International Security Assistance and Arms Export Control Act of 1976'' and inserting ''Arms Export Control Act''.

(16) Section 1394(c)(2) is amended by striking ''subparagraph (A)'' and inserting ''paragraph (1)''.

(17)(A) The section heading for section 4980E is amended to read as follows:

''SEC. 4980E. FAILURE OF EMPLOYER TO MAKE COMPARABLE ARCHER MSA CONTRIBUTIONS.''.

(B) The item relating to section 4980E in the table of sections for chapter 43 is amended to read as follows:

''Sec. 4980E. Failure of employer to make comparable Archer MSA contributions.''.

(18) Section 6105(c)(1) is amended by striking ''any'' in subparagraphs (C) and (E).

(19)(A) Section 6227(d) is amended by striking ''subsection (b)'' and inserting ''subsection (c)''.

(B) Section 6228 is amended—

(i) in subsection (a)(1), by striking ''subsection (b) of section 6227'' and inserting ''subsection (c) of section 6227'',

(ii) in subsection (a)(3)(A), by striking ''subsection (b) of'', and

(iii) in subsections (b)(1) and (b)(2)(A), by striking ''subsection (c) of section 6227'' and inserting ''subsection (d) of section 6227''.

(C) Section 6231(b)(2)(B)(i) is amended by striking ''section 6227(c)'' and inserting ''section 6227(d)''.

(20) Section 1221(b)(1)(B)(i) is amended by striking ''1256(b))'' and inserting ''1256(b)))''.

(21) Section 159 of the Community Renewal Tax Relief Act of 2000 (114 Stat. 2763A–624) is amended by striking ''fuctions'' and inserting ''functions''.

(22) The amendment to section 170(e)(6)(B)(iv) made by section 165(b)(1) of the Community Renewal Tax Relief Act of 2000 (114 Stat. 2763A–626) shall be applied as if it struck ''in any of the grades K–12''.

(23) Section 618(b)(2) of the Economic Growth and Tax Relief Reconciliation Act of 2001 (Public Law 107–16; 115 Stat. 108) is amended—

(A) in subparagraph (A) by striking ''203(d)'' and inserting ''202(f)'', and

(B) in subparagraphs (C), (D), and (E) by striking ''203'' and inserting ''202(f)''.

(24)(A) Section 525 of the Ticket to Work and Work Incentives Improvement Act of 1999 (Public Law 106–170; 113 Stat. 1928) is amended by striking ''7200'' and inserting ''7201''.

(B) Section 532(c)(2) of such Act (113 Stat. 1930) is amended—

(i) in subparagraph (D), by striking ''341(d)(3)'' and inserting ''341(d)'', and

(ii) in subparagraph (Q), by striking ''954(c)(1)(B)(iii) and inserting ''954(c)(1)(B)''.

SEC. 418. ADDITIONAL CORRECTIONS.

(a) AMENDMENTS RELATED TO SECTION 202 OF THE ECONOMIC GROWTH AND TAX RELIEF RECONCILIATION ACT OF 2001.—

(1) Subsection (h) of section 23 is amended—

(A) by striking ''subsection (a)(1)(B)'' and inserting ''subsection (a)(3)'', and

(B) by adding at the end the following new flush sentence:

''If any amount as increased under the preceding sentence is not a multiple of $10, such amount shall be rounded to the nearest multiple of $10.''.

(2) Subsection (f) of section 137 is amended by adding at the end the following new flush sentence:

''If any amount as increased under the preceding sentence is not a multiple of $10, such amount shall be rounded to the nearest multiple of $10.''.

(b) AMENDMENTS RELATED TO SECTION 204 OF THE ECONOMIC GROWTH AND TAX RELIEF RECONCILIATION ACT OF 2001.—Section 21(d)(2) is amended—

(1) in subparagraph (A) by striking ''$200'' and inserting ''$250'', and

(2) in subparagraph (B) by striking ''$400'' and inserting ''$500''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the provisions of the Economic Growth and Tax Relief Reconciliation Act of 2001 to which they relate.

TITLE V—SOCIAL SECURITY HELD HARMLESS; BUDGETARY TREATMENT OF ACT

SEC. 501. NO IMPACT ON SOCIAL SECURITY TRUST FUNDS.

(a) IN GENERAL.—Nothing in this Act (or an amendment made by this Act) shall be construed to alter or amend title II of the Social Security Act (or any regulation promulgated under that Act).

(b) TRANSFERS.—

(1) ESTIMATE OF SECRETARY.—The Secretary of the Treasury shall annually estimate the impact that the enactment of this Act has on the income and balances of the trust funds established under section 201 of the Social Security Act (42 U.S.C. 401).

(2) TRANSFER OF FUNDS.—If, under paragraph (1), the Secretary of the Treasury estimates that the enactment of this Act has a negative impact on the income and balances of the trust funds established under section 201 of the Social Security Act (42 U.S.C. 401), the Secretary shall transfer, not less frequently than quarterly, from the general revenues of the Federal Government an amount sufficient so as to ensure that the income and balances of such trust funds are not reduced as a result of the enactment of this Act.

SEC. 502. EMERGENCY DESIGNATION.

Congress designates as emergency requirements pursuant to section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985 the following amounts:

(1) An amount equal to the amount by which revenues are reduced by this Act below the recommended levels of Federal revenues for fiscal year 2002, the total of fiscal years 2002 through 2006, and the total of fiscal years 2002 through 2011, provided in the conference report accompanying H. Con. Res. 83, the concurrent resolution on the budget for fiscal year 2002.

(2) Amounts equal to the amounts of new budget authority and outlays provided in this Act in excess of the allocations under section 302(a) of the Congressional Budget Act of 1974 to the Committee on Finance of the Senate for fiscal year 2002, the total of fiscal years 2002 through 2006, and the total of fiscal years 2002 through 2011.

TITLE VI—EXTENSIONS OF CERTAIN EXPIRING PROVISIONS

SEC. 601. ALLOWANCE OF NONREFUNDABLE PERSONAL CREDITS AGAINST REGULAR AND MINIMUM TAX LIABILITY.

(a) IN GENERAL.—Paragraph (2) of section 26(a) is amended—

(1) by striking ''RULE FOR 2000 AND 2001.—'' and inserting ''RULE FOR 2000, 2001, 2002, AND 2003.—'', and

(2) by striking ''during 2000 or 2001,'' and inserting ''during 2000, 2001, 2002, or 2003,''.

(b) CONFORMING AMENDMENTS.—

(1) Section 904(h) is amended by striking ''during 2000 or 2001'' and inserting ''during 2000, 2001, 2002, or 2003''.

(2) The amendments made by sections 201(b), 202(f), and 618(b) of the Economic Growth and Tax Relief Reconciliation Act of 2001 shall not apply to taxable years beginning during 2002 and 2003.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SEC. 602. CREDIT FOR QUALIFIED ELECTRIC VEHICLES.

(a) IN GENERAL.—Section 30 is amended—

(1) in subsection (b)(2)—

(A) by striking ''December 31, 2001,'' and inserting ''December 31, 2003,'', and

(B) in subparagraphs (A), (B), and (C), by striking ''2002'', ''2003'', and ''2004'', respectively, and inserting ''2004'', ''2005'', and ''2006'', respectively, and

(2) in subsection (e), by striking ''December 31, 2004'' and inserting ''December 31, 2006''.

(b) CONFORMING AMENDMENTS.—

(1) Subparagraph (C) of section 280F(a)(1) is amended by adding at the end the following new clause:

''(iii) APPLICATION OF SUBPARAGRAPH.—This subparagraph shall apply to property placed in service after August 5, 1997, and before January 1, 2007.''.

(2) Subsection (b) of section 971 of the Taxpayer Relief Act of 1997 is amended by striking ''and before January 1, 2005''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after December 31, 2001.

SEC. 603. CREDIT FOR ELECTRICITY PRODUCED FROM CERTAIN RENEWABLE RESOURCES.

(a) IN GENERAL.—Subparagraphs (A), (B), and (C) of section 45(c)(3) are both amended by striking ''2002'' and inserting ''2004''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to facilities placed in service after December 31, 2001.

SEC. 604. WORK OPPORTUNITY CREDIT.

(a) IN GENERAL.—Subparagraph (B) of section 51(c)(4) is amended by striking ''2001'' and inserting ''2003''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to individuals who begin work for the employer after December 31, 2001.

SEC. 605. WELFARE-TO-WORK CREDIT.

(a) IN GENERAL.—Subsection (f) of section 51A is amended by striking ''2001'' and inserting ''2003''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to individuals who begin work for the employer after December 31, 2001.

SEC. 606. DEDUCTION FOR CLEAN-FUEL VEHICLES AND CERTAIN REFUELING PROPERTY.

(a) IN GENERAL.—Section 179A is amended—

(1) in subsection (b)(1)(B)—

(A) by striking ''December 31, 2001,'' and inserting ''December 31, 2003,'', and

(B) in clauses (i), (ii), and (iii), by striking ''2002'', ''2003'', and ''2004'', respectively, and inserting ''2004'', ''2005'', and ''2006'', respectively, and

(2) in subsection (f), by striking ''December 31, 2004'' and inserting ''December 31, 2006''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to property placed in service after December 31, 2001.

SEC. 607. TAXABLE INCOME LIMIT ON PERCENTAGE DEPLETION FOR OIL AND NATURAL GAS PRODUCED FROM MARGINAL PROPERTIES.

(a) IN GENERAL.—Subparagraph (H) of section 613A(c)(6) is amended by striking ''2002'' and inserting ''2004''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2001.

SEC. 608. QUALIFIED ZONE ACADEMY BONDS.

(a) IN GENERAL.—Paragraph (1) of section 1397E(e) is amended by striking ''2000, and 2001'' and inserting ''2000, 2001, 2002, and 2003''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to obligations issued after the date of the enactment of this Act.

SEC. 609. COVER OVER OF TAX ON DISTILLED SPIRITS.

(a) IN GENERAL.—Paragraph (1) of section 7652(f) is amended by striking ''January 1, 2002'' and inserting ''January 1, 2004''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to articles brought into the United States after December 31, 2001.

SEC. 610. PARITY IN THE APPLICATION OF CERTAIN LIMITS TO MENTAL HEALTH BENEFITS.

(a) IN GENERAL.—Subsection (f) of section 9812, as amended by the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2002, is amended to read as follows:

''(f) APPLICATION OF SECTION.—This section shall not apply to benefits for services furnished—

''(1) on or after September 30, 2001, and before January 10, 2002, and

''(2) after December 31, 2003.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to plan years beginning after December 31, 2000.

SEC. 611. TEMPORARY SPECIAL RULES FOR TAXATION OF LIFE INSURANCE COMPANIES.

(a) REDUCTION IN MUTUAL LIFE INSURANCE COMPANY DEDUCTIONS NOT TO APPLY IN CERTAIN YEARS.—Section 809 (relating to reduction in certain deductions of material life insurance companies) is amended by adding at the end the following:

''(j) DIFFERENTIAL EARNINGS RATE TREATED AS ZERO FOR CERTAIN YEARS.—Notwithstanding subsection (c) or (f), the differential earnings rate shall be treated as zero for purposes of computing both the differential earnings amount and the recomputed differential earnings amount for a mutual life insurance company's taxable years beginning in 2001, 2002, or 2003.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2000.

SEC. 612. AVAILABILITY OF MEDICAL SAVINGS ACCOUNTS.

(a) IN GENERAL.—Paragraphs (2) and (3)(B) of section 220(i) (defining cut-off year) are each amended by striking ''2002'' each place it appears and inserting ''2003''.

(b) CONFORMING AMENDMENTS.—

(1) Paragraph (2) of section 220(j) is amended by striking ''1998, 1999, or 2001'' each place it appears and inserting ''1998, 1999, 2001, or 2002''.

(2) Subparagraph (A) of section 220(j)(4) is amended by striking ''and 2001'' and inserting ''2001, and 2002''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on January 1, 2002.

SEC. 613. INCENTIVES FOR INDIAN EMPLOYMENT AND PROPERTY ON INDIAN RESERVATIONS.

(a) EMPLOYMENT.—Subsection (f) of section 45A is amended by striking ''December 31, 2003'' and inserting ''December 31, 2004''.

(b) PROPERTY.—Paragraph (8) of section 168(j) is amended by striking ''December 31, 2003'' and inserting ''December 31, 2004''.

SEC. 614. SUBPART F EXEMPTION FOR ACTIVE FINANCING.

(a) IN GENERAL.—

(1) Section 953(e)(10) is amended—

(A) by striking ''January 1, 2002'' and inserting ''January 1, 2007'', and

(B) by striking ''December 31, 2001'' and inserting ''December 31, 2006''.

(2) Section 954(h)(9) is amended by striking ''January 1, 2002'' and inserting ''January 1, 2007''.

(b) LIFE INSURANCE AND ANNUITY CONTRACTS.—

(1) IN GENERAL.—Subparagraph (B) of section 954(i)(4) is amended to read as follows:

''(B) LIFE INSURANCE AND ANNUITY CONTRACTS.—

''(i) IN GENERAL.—Except as provided in clause (ii), the amount of the reserve of a qualifying insurance company or qualifying insurance company branch for any life insurance or annuity contract shall be equal to the greater of—

''(I) the net surrender value of such contract (as defined in section 807(e)(1)(A)), or

''(II) the reserve determined under paragraph (5).

''(ii) RULING REQUEST, ETC.—The amount of the reserve under clause (i) shall be the foreign statement reserve for the contract (less any catastrophe, deficiency, equalization, or similar reserves), if, pursuant to a ruling request submitted by the taxpayer or as provided in published guidance, the Secretary determines that the factors taken into account in determining the foreign statement reserve provide an appropriate means of measuring income.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SEC. 615. REPEAL OF REQUIREMENT FOR APPROVED DIESEL OR KEROSENE TERMINALS.

(a) IN GENERAL.—Subsection (e) of section 4101 is hereby repealed.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on January 1, 2002.

SEC. 616. REAUTHORIZATION OF TANF SUPPLEMENTAL GRANTS FOR POPULATION INCREASES FOR FISCAL YEAR 2002.

Section 403(a)(3) of the Social Security Act (42 U.S.C. 603(a)(3)) is amended by adding at the end the following:

''(H) REAUTHORIZATION OF GRANTS FOR FISCAL YEAR 2002.—Notwithstanding any other provision of this paragraph—

''(i) any State that was a qualifying State under this paragraph for fiscal year 2001 or any prior fiscal year shall be entitled to receive from the Secretary for fiscal year 2002 a grant in an amount equal to the amount required to be paid to the State under this paragraph for the most recent fiscal year in which the State was a qualifying State;

''(ii) subparagraph (G) shall be applied as if '2002' were substituted for '2001'; and

''(iii) out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated for fiscal year 2002 such sums as are necessary for grants under this subparagraph.''.

SEC. 617. 1-YEAR EXTENSION OF CONTINGENCY FUND UNDER THE TANF PROGRAM.

Section 403(b) of the Social Security Act (42 U.S.C. 603(b)) is amended—

(1) in paragraph (2), by striking ''and 2001'' and inserting ''2001, and 2002''; and

(2) in paragraph (3)(C)(ii), by striking ''2001'' and inserting ''2002''.

Mr. DASCHLE. Madam President, this unanimous consent is required in order for us to finish our work on the economic stimulus package that was just sent to us this afternoon from the House. Senator LOTT and I have discussed this matter throughout the day. As I said, I had an earlier conversation with the distinguished ranking member of the Finance Committee, as well as the chairman of the Finance Committee, and we are now in a position to proceed to a vote on the stimulus package tomorrow morning.

We haven't set a time, but I expect the votes will be taken at approximately 9:30. So there will be two votes at 9:30—one on the unanimous consent that we have just now agreed to, the so-called economic stimulus unemployment insurance extension legislation, and one on the McCain amendment.

I thank my colleagues for their participation and cooperation.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

Mr. WARNER. Madam President, I have worked closely with Senator COLLINS for some time now on legislation to provide much needed tax relief for our educators. Tonight, I am pleased to report that the Senate should soon pass H.R. 3090, the Job Creation and Worker Assistance Act of 2002, as previously passed by the House of Representatives. With passage of this legislation, Senator COLLINS and I will have finally achieved our shared goal of providing much needed tax relief for our Nation's teachers.

The Collins/Warner provision that is in this legislation, was crafted by Senator COLLINS and myself after months of consultations with Senator GRASSLEY, Senator BAUCUS, Senator ALLEN, and House Ways and Means Chairman THOMAS.

Simply put, the provision provides a $250 above the line deduction for educators who incur out of pocket expenses for supplies they bring into the classroom to better the education of their students. The National Education Association played a key role and its many members should look with pride and satisfaction on their constructive advice to the Congress. The President of the Virginia Education Association, Jean Bankos also helped lead this superb effort. Our teachers in this country are overworked, underpaid, and all too often, under-appreciated. In addition to these factors, our teachers expend significant money out of their own pocket to better the education of our children. Most typically, our teachers are spending significant amounts of money out of their own pocket on classroom expenses—such as books, supplies, pens, paper, and computer equipment. These out of pocket costs place lasting financial burdens on our teachers. This is one reason our teachers are leaving the profession. Little wonder that our country is in the midst of a teacher shortage.

Estimates are that 2.4 million new teachers will be needed by 2009 because of teacher attrition, teacher retirement and increased student enrollment. While the primary responsibility rests with the states, I believe the Federal Government can and should play a

role in helping to alleviate the Nation's teaching shortage. On a federal level, we can encourage individuals to enter the teaching profession and remain in the profession by providing tax relief to teachers for the costs that they incur as part of the profession.

Madam President, our teachers have made a personal commitment to educate the next generation and to strengthen America. While many people spend their lives building careers, our teachers spend their careers building lives. The Teacher Tax Relief provisions in this bill go a long way towards providing our teachers with the recognition they deserve by providing teachers with important and much needed tax relief.

I am proud to have had the opportunity to work with Senator COLLINS and so many others to eventually make our goal a reality.

I commend the leadership of the majority and the minority for their efforts. I have long supported the concept of having the stimulus package. While it may not be what each of us wanted, it is essential, particularly the unemployment provisions and the provisions about teachers, with which I have long been associated. I thank the leadership.

Madam President, I commend the President of the United States for his commitment, along with his several Cabinet officers who have fought so strongly for passage of a stimulus package. The American economy is, I believe, showing some signs of recovery, but I believe that this is an additional step to shore up the confidence of the people of this country in the economy.

Within the stimulus package we will vote on tomorrow are provisions that I worked on with Senator COLLINS and others for some time that relate to teachers. In my visits to educational institutions throughout the Commonwealth of Virginia, I have often learned—inadvertently, not because teachers come up to me and tell me about it, because they are rather modest—but, in fact, so many of our teachers, particularly those in the lower grades and those in schools which, for whatever reason, might not be as well financed as other institutions in our State, have taken from their own pockets, funds to buy school supplies which are needed to help their particular students in their classroom perform their educational responsibilities. Sometimes it is paper. Sometimes it is crayons, occasionally books. I find this extraordinary. As I say, they have not come to me and asked: Oh, we want this, we want that. They are very humble about it.

Senator COLLINS and I, and my colleague, Senator ALLEN, who has been very active in the entire area of education with me—I happen to serve on the committee for education in the Senate—but we have as a team, together with other Senators, have been working on this concept for some time.

The National Education Association took a pivotal role in seeing that this legislation was incorporated in the House bill. Now at long last, we do have a measure of success, and it is owed to the teachers and the National Education Association and other colleagues here who have worked on it with me.

I am delighted over the whole prospect of this being passed. It is only a $250 above the line deduction. But at long last teachers can point to something—''this is our's; we helped make it happen, and we are proud of it.''

I thank the Chair. I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE VIRGINIA GARCIA MEMORIAL HEALTH CENTER

Mr. SMITH of Oregon. Madam President, today I rise today to give tribute to some of the health care heroes in my home State of Oregon. They are the hard-working people who staff the Virginia Garcia Memorial Health Center in Cornelius, OR.

Virginia Garcia was a 6-year-old girl who died from a treatable infection in the 1970s. She died, not because she lacked health care, but because no one spoke to her family in the only language they knew—Spanish.

Access to health care involves more than insurance. Barriers to access continue to exist even when financial problems to health care are removed. Disparities in health care and health outcomes reflect these barriers.

For example, Latinos are twice as likely as White Americans to have diabetes, and twice as likely to have cervical cancer. They also trail other ethnic groups in childhood immunizations and health insurance coverage.

The Virginia Garcia Clinic does a wonderful job at bridging the large gap between access to coverage and access to care. The clinic serves nearly 8,000 patients a year, 80 percent of whom are Spanish speaking, and 90 percent of whom are below the poverty level. Patients in the clinic pay for their services on a sliding scale, sometimes as low as $5 per visit.

Access to high quality, affordable, and culturally accessible care has saved many lives, and improved the quality of lives of many others. I have two true stories to relate to you today, though I really don't need to use their names, because they represent thousands of people across my home State. I will refer to them just as people in need of health care.

One woman who has benefitted from the good works of the Virginia Garcia Clinic came to the clinic after moving to the U.S. from Mexico. She had suffered from breast cancer, and underwent a mastectomy and a long, expensive treatment of chemotherapy that had bankrupted her family. To pay for this treatment, they lost their home.

She turned to the Virginia Garcia Health Center for help. She needed very expensive medication, and the clinic managed to provide it to her. To make matters worse, she also had diabetes and other complicated health problems. Yet the Virginia Garcia Clinic manages her care and arranges for the specialty care that she requires. Without a safety net clinic such as the Virginia Garcia Clinic, she would very likely not get the care she needs to stay healthy for her children and family.

The staff at the clinic have also told me about a farm worker who came to the Virginia Garcia Clinic for an urgent care visit about a rash on his arm. During the exam, the nurse practitioner asked about a lump she noticed on his neck. He hadn't been concerned about it, but the staff at the Virginia Garcia Clinic persisted until he agreed to have a biopsy. The lump turned out to be lymphoma, so the Virginia Garcia Clinic arranged for his chemotherapy at the Oregon Health and Sciences University, where he was treated successfully.

Without a migrant community health center such as Virginia Garcia to provide outreach, the outcome of this story would likely not have been so positive.

Spending time at the Virginia Garcia Clinic, I have met with people with stories such as these and whose lives would have changed for the worse without the efforts of the hard-working and dedicated staff.

Truly, these people, these staff workers are health care heroes, and we desperately need them in our quest to ensure that every person in this country has access to health care.

So today, I salute the work and the workers of the Virginia Garcia Clinic, true heroes in the State of Oregon.

IN RECOGNITION OF SERGEANT PHILIP SVITAK

Mr. NELSON of Nebraska. Madam President, this week during the war against terror in Afghanistan America lost eight soldiers and Nebraska lost a native son. These soldiers died valiantly protecting the rights, ideals, values, and way of life that Americans enjoy.

Sgt. Philip Svitak, a member of the Second Battalion, 160th Special Operations Aviation Regiment, was born in Lincoln and raised in Fremont. He graduated from Fremont High School in 1989 and entered the Army where he served in the Gulf War.

Sgt. Svitak's parents have said that growing up, he dreamed of a career with the military service. His favorite gifts would be colored the familiar green olive drab. But he also enjoyed

fixing things, hunting, and skateboarding. He loved his wife, Laura, and their two young sons, Nolan and Ethan. Before departing for Afghanistan, he told his family that ''the terrorists have to be stopped.'' Philip has made the ultimate contribution.

Those who knew Sgt. Svitak will remember him as a levelheaded and caring friend and father. Those of us who did not, will remember him as well, as a brave and dedicated soldier who made the ultimate sacrifice for a forever grateful nation.

We thank Sgt. Svitak for his service and his sacrifices. Our thoughts and prayers are with his family and the families of other servicemen and women as they endure their loss of their loved ones who have been killed defending our freedom.

LOCAL LAW ENFORCEMENT ACT OF 2001

Mr. SMITH of Oregon. Madam President, I rise today to speak about hate crimes legislation I introduced with Senator KENNEDY in March of last year. The Local Law Enforcement Act of 2001 would add new categories to current hate crimes legislation sending a signal that violence of any kind is unacceptable in our society.

I would like to describe a terrible crime that occurred in September 1997 in Tulsa, OK. Two gay men were severely beaten after leaving a bar. After being arrested, the assailants told police they were ''only rolling a couple of fags.''

I believe that government's first duty is to defend its citizens, to defend them against the harms that come out of hate. The Local Law Enforcement Enhancement Act of 2001 is now a symbol that can become substance. I believe that by passing this legislation, we can change hearts and minds as well.

NOMINATION OF JOE SCHMITZ

Mr. SMITH of New Hampshire. Madam President, I believe that the Department of Defense Inspector General position is among the most important in the Department, because the IG office is responsible for ensuring accountability and efficiency, and therefore is the heart of integrity in the Pentagon.

There have been numerous scandals in the IG office in the recent past, which has been rudderless, without a confirmed nominee for 3 years. With the IG office in disarray, there is the impression left that the Department is without proper and necessary oversight. I am also told that the IG office has been headless for some 10 years over the past couple of decades—which is a disgrace. Without strong leadership, direction and motivation, no office can function efficiently and effectively.

Secretary Rumsfeld needs an Inspector General. We are, after all, at war. Joe Schmitz was the choice of the Secretary of Defense and the choice of President Bush for this important post. Mr. Schmitz is an individual with a strong background for the job, and with impeccable personal and professional credentials. I hope that we can move forward expeditiously with his nomination, now that it has been cleared both by the Armed Services committee—by voice vote—and by the Government Affairs Committee.

Individuals who undergo the nomination process put their names and reputations on the line, opening themselves up to intense scrutiny of their past employment, their finances, their conduct and their associations. They fill out hundreds of documents. Mr. Schmitz has been held up for long enough—there are no ethical issues impacting his nomination, and he has received strong recommendations from those who know him and have worked with him, regardless of party affiliation.

I believe that Joe Schmitz was a superlative choice by Secretary Rumsfeld and president Bush, and that he will make an outstanding IG. The Senate needs to act now, to fill this important position at the Department of Defense and to give Secretary Rumsfeld the team he needs to do his job.

ADDITIONAL STATEMENTS

WALTER JOHANNSEN

● Mr. WELLSTONE. Mr. President, I rise today to talk about the extraordinary service of Walter ''Bud'' Johannsen and the extraordinary dedication he has shown to the Lake George, MN community. It is extraordinary in its duration. It is extraordinary in its selflessness. And it is a wonderful example of community service at its best.

Week after week for the past forty years Bud Johannsen has been on call twenty four hours a day, seven days a week as a volunteer firefighter for the Lake George Volunteer Fire Department, the only fire department that services this peaceful north central community and its surrounding area. And week after week he has accepted the risks inherent in a job of this nature. Week after week. For forty years. Voluntarily. Without pay.

He has done this while maintaining a full-time job, raising a family and participating in community affairs. He has done this while demonstrating a positive attitude, a wonderful sense of humor and a willingness to lend a helping hand wherever and whenever needed.

That is dedication. That is the American spirit at its best.

Now I know that Bud Johannsen is not the first individual to ever volunteer his time. Nor will he be the last. But when I hear of such a milestone, 40 years as a volunteer firefighter, I feel the need to recognize and publicly thank that individual for his service, especially in light of the events of September 11 when we saw all too clearly the sometimes tragic consequences of such courage and commitment.

So today I thank Walter ''Bud'' Johannsen. I thank his wife Kay and his daughter Tracy for sharing him with the Lake George community for so many years. And I thank all the members of the Lake George Volunteer Fire Department for the great work that they do. They are all truly inspiring.●

TRIBUTE TO DIANE RUMER

● Mr. BUNNING. Madam President, today I have the distinct honor of rising to share with my fellow colleagues the poetic work of Diane Rumer of Florence, Kentucky.

The tragic events of September 11 has affected us all in so many different ways. Some have lost loved ones. Some have sacrificed their lives to save others. And some have simply wept. We all have different methods of dealing with such tragic circumstances, and I personally have found a certain degree of solace in Diane Rumer's poem entitled American Angel. I am honored to share her work with you.

God Bless our country,
And all we hold dear:
Faith and our freedom,
And life without fear.

Guard her and guide her,
Protect her, we pray.
Send angels among us
To show us the way.

Every time I read these beautiful words, I find myself visualizing the American angels Diane so gracefully describes in her poem. I see a soldier fighting at home and abroad to rid the world of terrorism and oppression. I see a fireman racing into a burning building to save the life of a complete stranger. I see a blood donor. I see an aid worker. I see a family raising a flag in their front yard. After reading this, I realize there are angels surrounding us in every aspect of life, trying desperately to show us the way.

I would like to thank Diane for this inspirational piece. Her words are a truly a comfort in times of strife.●

MESSAGES FROM THE HOUSE

At 11:42 a.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 1870. An act to provide for the sale of certain real property within the Newlands Project in Nevada, to the city of Fallon, Nevada.

H.R. 1883. An act to authorize the Secretary of the Interior to conduct a feasibility study on water optimization in the Burnt River basin, Malheur River basin, Owyhee River basin, and Powder River basin, Oregon.

H.R. 1963. An act to amend the National Trails System Act to designate the route taken by American soldier and frontiersman George Rogers Clark and his men during the

Revolutionary War to capture the British forts at Kaskaskia and Cahokia, Illinois, and Vincennes, Indiana, for study for potential addition to the National Trails System.

The message also announced that the House has passed the following joint resolution, without amendment:

S.J. Res. 32. A joint resolution congratulating the United States Military Academy at West Point on its bicentennial anniversary, and commending its outstanding contributions to the Nation.

The message further announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 275. Concurrent resolution expressing the sense of the Congress that hunting seasons for migratory mourning doves should be modified so that individuals have a fair and equitable opportunity to hunt such birds.

ENROLLED JOINT RESOLUTION SIGNED

At 2:26 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the Speaker has signed the following enrolled joint resolution:

S.J. Res. 32. A joint resolution congratulating the United States Military Academy at West Point on its bicentennial anniversary, and commending its outstanding contributions to the Nation.

The enrolled joint resolution was signed subsequently by the President pro tempore (Mr. BYRD).

At 3:50 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has agreed to the amendment of the Senate to the bill (H.R. 3090) to provide tax incentives for economic recovery, with an amendment, in which it requests the concurrence of the Senate.

The message also announced that the Speaker has appointed the following members as additional conferees in the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2646) to provide for the continuation of agricultural programs through fiscal year 2011:

As additional conferees from the Committee on the Budget, for consideration of section 197 of the Senate amendment, and modifications committed to conference: Mr. NUSSLE, Mr. SUNUNU, and Mr. SPRATT.

From the Committee on Education and the Workforce, for consideration of sections 453–5, 457–9, 460–1, and 464 of the Senate amendment, and modifications committed to conference: Mr. CASTLE, Mr. OSBORNE, and Mr. KILDEE.

From the Committee on Energy and Commerce, for consideration of sections 213, 605, 627, 648, 652, 902, 1041, and 1079E of the Senate amendment, and modifications committed to conference: Mr. TAUZIN, Mr. BARTON of Texas, and Mr. DINGELL.

From the Committee on Financial Services, for consideration of sections 335, and 601 of the Senate amendment, and modifications committed to conference: Mr. OXLEY, Mr. BACHUS, and Mr. LAFALCE.

From the Committee on International Relations, for consideration of title III of the House bill and title III of the Senate amendment, and modifications committed to conference: Mr. HYDE, Mr. SMITH of New Jersey, and Mr. LANTOS.

From the Committee on the Judiciary, for consideration of sections 940–1 of the House bill and sections 602, 1028–9, 1033–5, 1046, 1049, 1052–3, 1058, 1068–9, 1070–1, 1098, and 1098A of the Senate amendment, and modifications committed to conference: Mr. SENSENBRENNER, Mr. GREEN of Wisconsin, and Ms. BALDWIN.

From the Committee on Resources, for consideration of sections 201, 203, 211, 213, 215–7, 262, 721, 786, 806, 810, 817–8, 1069, 1070, and 1076 of the Senate amendment, and modifications committed to conference: Mr. HANSEN, Mr. YOUNG of Alaska, and Mr. KIND.

From the Committee on Science, for consideration of sections 808, 811, 902–3, and 1079 of the Senate amendment, and modifications committed to conference: Mr. BOEHLERT, Mr. BALLENGER, and Mr. HALL of Texas.

From the Committee on Ways and Means, for consideration of sections 127 and 146 of the House bill and sections 144, 1024, 1038, and 1070 of the Senate amendment, and modifications committed to conference: Mr. THOMAS, Mr. HERGER, and Mr. RANGEL.

ENROLLED BILL SIGNED

The following enrolled bill, previously signed by the Speaker of the House, was signed today, March 7, 2002, by the president pro tempore (Mr. BYRD):

S. 1857. An act to encourage the negotiated settlement of tribal claims.

MEASURES REFERRED

The following bills were read the first and the second times by unanimous consent, and referred as indicated:

H.R 1870. An act to provide for the sale of certain real property within the Newlands Project in Nevada, to the city of Fallon, Nevada; to the Committee on Energy and Natural Resources.

H.R. 1963. An act to amend the National trails System Act to designate the route taken by American soldier and frontiersman George Rogers Clark and his men during the Revolutionary War to capture the British forts at Kaskaskia and Cahokia, Illinois, and Vincennes, Indiana, for study for potential addition to the National Trails System; to the Committee on Energy and Natural Resources.

The following concurrent resolution was read, and referred as indicated:

H. Con. Res. 275. Concurrent resolution expressing the sense of the Congress that hunting seasons for migratory mourning doves should be modified so that individuals have a fair and equitable opportunity to hunt such birds; to the Committee on Environment and Public Works.

MEASURES PLACED ON THE CALENDAR

The following bill was read the first and second times by unanimous consent, and placed on the calendar:

H.R. 1883. An act to authorize the Secretary of the Interior to conduct a feasibility study on water optimization in the Burnt River basin, Malheur River basin, Owyhee River basin, and Powder River basin, Oregon.

ENROLLED BILL AND JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, March 7, 2002, she had presented to the President of the United States the following enrolled bill and joint resolution:

S. 1857. An act to encourage the negotiated settlement of tribal claims.

S.J. Res. 32. A joint resolution congratulating the United States Military Academy at West Point on its bicentennial anniversary, and commending its outstanding contributions to the Nation.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–5615. A communication from the Deputy Assistant Secretary for Program Operations, Pension and Welfare Benefits Administration, Department of Labor, transmitting, pursuant to law, the report of a rule entitled ''Class Exemption for Cross-Trades of Securities by Index and Model-Driven Funds'' (RIN1210–ZA01) received on February 12, 2002; to the Committee on Health, Education, Labor, and Pensions.

EC–5616. A communication from the Assistant Secretary of Legislative Affairs, Department of State, transmitting, pursuant to law, the Presidential Determination Number 2002–07, relative to major drug transit or major illicit drug producing countries; to the Committee on Foreign Relations.

EC–5617. A communication from the Senior Regulations Analyst, Saint Lawrence Seaway Development Corporation, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Tariff of Tolls'' (RIN2135–AA14) received on February 14, 2002; to the Committee on Environment and Public Works.

EC–5618. A communication from the Director of the Fish and Wildlife Service, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled ''Endangered and Threatened Wildlife and Plants; Endangered Status for the Buena Vista Lake shrew (Sorex ornatus relictus)'' (RIN1018–AG04) received on March 6, 2002; to the Committee on Environment and Public Works.

EC–5619. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–278, ''District of Columbia Emancipation Day Fund Temporary Act of 2002''; to the Committee on Governmental Affairs.

EC–5620. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–277, ''Residential Permit Parking Area Temporary Amendment Act of 2002''; to the Committee on Governmental Affairs.

EC–5621. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–276, ''John T. 'Big John' Williams Building Designation Act of 2002''; to the Committee on Governmental Affairs.

EC–5622. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–274, ''Closing of a Portion of a Public Alley in Square 236, S.O. 01–2919 Act of 2002''; to the Committee on Governmental Affairs.

EC–5623. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–270, ''North Capitol Expansion and Expansion of Business Improvement Districts Temporary Amendment Act of 2002''; to the Committee on Governmental Affairs.

EC–5624. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–271, ''Washington Convention Center Authority Oversight and Management Continuity Temporary Amendment Act of 2002''; to the Committee on Governmental Affairs.

EC–5625. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–272, ''Eastern Avenue Tour Bus Parking Prohibition Temporary Amendment Act of 2002''; to the Committee on Governmental Affairs.

EC–5626. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–269, ''Closing of a Public Alley in Square 528 S.O. 01–173, Act of 2002''; to the Committee on Governmental Affairs.

EC–5627. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–268, ''Food Regulation Amendment Act of 2002''; to the Committee on Governmental Affairs.

EC–5628. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–292, ''Mental Health Commitment Temporary Act of 2002''; to the Committee on Governmental Affairs.

EC–5629. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–291, ''Vendor Payment Authorization Temporary Amendment Act of 2002''; to the Committee on Governmental Affairs.

EC–5630. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–289, ''Wooly Mammoth Theatre Tax Abatement Act of 2002''; to the Committee on Governmental Affairs.

EC–5631. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–290, ''Square 456 Payment in Lieu of Taxes Act of 2002''; to the Committee on Governmental Affairs.

EC–5632. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–288, ''Edward 'Duke' Ellington Plaza Designation Act of 2002''; to the Committee on Governmental Affairs.

EC–5633. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–279, ''Towing Vehicles Rulemaking Authority Temporary Act of 2002''; to the Committee on Governmental Affairs.

EC–5634. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–275, ''Closing of a Public Alley in Square 628, S.O. 00-96 Act of 2002''; to the Committee on Governmental Affairs.

EC–5635. A communication from the Administrator of Tobacco Programs, Agriculture Marketing Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Tobacco Inspection; Producer Referenda on Mandatory Grading'' (Doc. No. TB–02–03) received on March 4, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC–5636. A communication from the Administrator of the Rural Utilities Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Distance Learning and Telemedicine Loan and Grant Program'' (RIN0572–AB70) received on March 4, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC–5637. A communication from the Congressional Review Coordinator of Policy and Program Development, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Change in Disease Status of Japan Because of BSE'' (Doc. No. 01–094–2) received on March 4, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC–5638. A communication from the Congressional Review Coordinator of Policy and Program Development, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Black Stem Rust; Identification Requirements and Addition of Rust-Resistant Varieties'' (Doc. No. 97–053–3) received on March 4, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC–5639. A communication from the Congressional Review Coordinator, Policy and Program Development, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''West Indian Fruit Fly'' (Doc. No. 00–110–4) received on March 4, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC–5640. A communication from the Congressional Review Coordinator, Policy and Program Development, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''National Poultry Improvement Plan and Auxiliary Provisions'' (Doc. No. 00–075–2) received on March 4, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC–5641. A communication from the Congressional Review Coordinator, Policy and Program Development, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Steam Treatment of Golden Nematode-Infested Farm Equipment, Construction Equipment, and Containers'' (Doc. No. 01–050–1) received on March 4, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC–5642. A communication from the Congressional Review Coordinator, Policy and Program Development, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Change in Disease Status of Greece Because of BSE'' (Doc. No. 01–065–2) received on March 4, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC–5643. A communication from the Congressional Review Coordinator, Policy and Program Development, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Citrus Canker; Quarantined Areas'' (Doc. No. 01–079–2) received on March 4, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC–5644. A communication from the Congressional Review Coordinator, Policy and Program Development, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Asian Longhorned Beetle; Addition to Quarantined Areas'' (Doc. No. 01–092–2) received on March 4, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC–5645. A communication from the Administrator of the Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Tart Cherries Grown in the States of Michigan, et al.; Modifications to the Rules and Regulations Under the Tart Cherry Marketing Order'' (Doc. No. FV01–930–0 FIR) received on March 6, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC–5646. A communication from the Administrator of the Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Hazelnuts Grown in Oregon and Washington; Establishment of Reporting Requirements for Imported Hazelnuts'' (Doc. No. FV01–982–3 FR) received on March 6, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC–5647. A communication from the Administrator of the Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Irish Potatoes Grown in Colorado; Suspension of Continuing Assessment Rate'' (Doc. No. FV01–948–2 FIR) received on March 6, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC–5648. A communication from the Administrator of the Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Olives Grown in California; Decreased Assessment Rate'' (Doc. No. FV02–932–1 IFR) received on March 6, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC–5649. A communication from the Administrator of the Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Domestic Dates Produced or Packed in Riverside County, California; Increased Assessment Rate'' (Doc. No. FV01–987–1 FR) received on March 6, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC–5650. A communication from the Administrator of the Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Raisin Produced from Grapes Grown in California; Extension of Redemption Date for Unsold 2001 Diversion Certificates'' (Doc. No. FV02–989–3 IFR) received on March 6, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC–5651. A communication from the Administrator of the Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Fresh Prunes Grown in Designated Counties in Washington and Umatilla County, Oregon; Decreased Assessment Rate'' (Doc. No. FV01–924–1 FIR) received on March 6, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC–5652. A communication from the Administrator of the Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled

''Fresh Bartlett Pears Grown in Oregon and Washington; Increased Assessment Rate'' (Doc. No. FV01–931–1 FR) received on March 6, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC–5653. A communication from the Administrator of the Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Irish Potatoes Grown in Colorado; Increased Assessment Rate'' (Doc. No. FV01–948–3 FR) received on March 6, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC–5654. A communication from the Administrator of the Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Limes Grown in Florida and Imported Limes; Suspension of Regulations'' (Doc. No. FV01–911–2 FR) received on March 6, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC–5655. A communication from the Administrator of the Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Winter Pears Grown in Oregon and Washington; The Establishment of a Supplemental Rate of Assessment for the Beurre d'Anjou Variety of Pears and of a Definition for Organically Produced Pears'' (Doc. No. FV01–927–1 FR) received on March 6, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC–5656. A communication from the Administrator of the Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Cranberries Grown in the States of Massachusetts, et al.; Increased Assessment Rate'' (Doc. No. FV01–929–3 FR) received on March 6, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC–5657. A communication from the Administrator of the Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Hass Avocados Promotion, Research and Information Order; Referendum Procedures'' (Doc. No. FV–01–706–FR) received on March 6, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC–5658. A communication from the Administrator of the Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Walnuts Grown in California; Decreased Assessment Rate'' (Doc. No. FV01–984–1 FIR) received on March 6, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC–5659. A communication from the Administrator of the Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Kiwifruit Grown in California; Relaxation of Pack Requirements'' (Doc. No. FV02–920–1 IFR) received on March 6, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC–5660. A communication from the Administrator of the Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Dried Prunes Produced in California; Increased Assessment Rate'' (Doc. No. FV01–993–3 FR) received on March 6, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC–5661. A communication from the Administrator of the Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Oranges, Grapefruit, Tangerines, and Tangelos Grown in Florida; Decreased Assessment Rate'' (Doc. No. FV01–905–3 IFR) received on March 6, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC–5662. A communication from the Administrator of the Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Tomatoes Grown in Florida; Decreased Assessment Rate'' (Doc. No. FV01–966–2 IFR) received on March 6, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC–5663. A communication from the Acting Administrator of the Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Nectarines Grown in California; Increased Assessment Rate'' (Doc. No. FV01–916–2 FR) received on March 6, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC–5664. A communication from the Acting Administrator of the Fruit and Vegetable Programs, Research and Promotion Branch, Agricultural Marketing Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Referendum Procedures under the Watermelon Research and Promotion Plan'' (Doc. No. FV01–701–FR) received on March 6, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. LEAHY, from the Committee on the Judiciary, without amendment and with a preamble:

S. Res. 214: A resolution designating March 25, 2002, as ''Greek Independence Day: A National Day of Celebration of Greek and American Democracy.''

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. LEAHY for the Committee on the Judiciary.

David C. Bury, of Arizona, to be United States District Judge for the District of Arizona.

Randy Crane, of Texas, to be United States District Judge for the Southern District of Texas.

Ralph R. Beistline, of Alaska, to be United States District Judge for the District of Alaska.

Paul I. Perez, of Florida, to be United States Attorney for the Middle District of Florida, for the term of four years.

Eric F. Melgren, of Kansas, to be United States Attorney for the District of Kansas for the term of four years.

Dennis Cluff Merrill, of Oregon, to be United States Marshal for the term of four years.

John Schickel, of Kentucky, to be United States Marshal for the Eastern District of Kentucky for the term of four years.

William R. Whittington, of Louisiana, to be United States Marshal for the Western District of Louisiana for the term of four years.

Stephen Gilbert Fitzgerald, of Wisconsin, to be United States Marshal for the Western District of Wisconsin for the term of four years.

J.C. Rafferty, of West Virginia, to be United States Marshal for the Northern District of West Virginia for the term of four years.

James Anthony Rose, of Wyoming, to be United States Marshal for the District of Wyoming for the term of four years.

James Loren Kennedy, of Indiana, to be United States Marshal for the Southern District of Indiana for the term of four years.

Theophile Alceste Duroncelet, of Louisiana, to be United States Marshal for the Eastern District of Louisiana for the term of four years.

James Thomas Plousis, of New Jersey, to be United States Marshal for the District of New Jersey for the term of four years.

Charles R. Reavis, of North Carolina, to be United States Marshal for the Eastern District of North Carolina for the term of four years.

Timothy Dewayne Welch, of Oklahoma, to be United States Marshal for the Northern District of Oklahoma for the term of four years.

Michael Robert Regan, of Pennsylvania, to be United States Marshal for the Middle District of Pennsylvania for the term of four years.

Jesse Seroyer, Jr., of Alabama, to be United States Marshal for the Middle District of Alabama for the term of four years.

Gregory Allyn Forest, of North Carolina, to be United States Marshal for the Western District of North Carolina for the term of four years.

John R. Edwards, of Vermont, to be United States Marshal for the District of Vermont for the term of four years.

(Nominations without an asterisk were reported with the recommendations that they be confirmed.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. SMITH of New Hampshire (for himself, Mr. ENZI, and Mr. THOMAS):

S. 1996. A bill to amend title 18, United States Code, to protect citizens' rights under the Second Amendment to obtain firearms for legal use, and for other purposes; to the Committee on the Judiciary.

By Mrs. CARNAHAN:

S. 1997. A bill to require a pilot program to assess the adoption of the Air Force Expeditionary Medical Support System by the Air National Guard; to the Committee on Armed Services.

By Mr. ENSIGN (for himself and Mr. ALLARD):

S. 1998. A bill to amend the Higher Education Act of 1965 with respect to the qualifications of foreign schools; to the Committee on Health, Education, Labor, and Pensions.

By Mr. JOHNSON (for himself and Mr. DASCHLE):

S. 1999. A bill to reauthorize the Mni Wiconi Rural Water Supply Project; to the Committee on Energy and Natural Resources.

By Ms. STABENOW:

S. 2000. A bill to amend the Internal Revenue Code or 1986 to provide for a special depreciation allowance for certain property acquired after December 31, 2001, and before January 1, 2004; to the Committee on Finance.

By Mr. CAMPBELL:

S. 2001. A bill to require the Secretary of Defense to report to Congress regarding the

requirements applicable to the inscription of veterans' names on the memorial wall of the Vietnam Veterans Memorial; to the Committee on Armed Services.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. CRAIG (for himself, Mr. CLELAND, Mr. ALLEN, Mr. BAYH, Mr. BINGAMAN, Mrs. BOXER, Mr. BREAUX, Mr. BURNS, Mr. CAMPBELL, Ms. CANTWELL, Mr. COCHRAN, Mr. CRAPO, Mr. DASCHLE, Mr. DEWINE, Mr. DOMENICI, Mr. EDWARDS, Mr. ENZI, Mr. FEINGOLD, Mrs. FEINSTEIN, Mr. FRIST, Mr. HAGEL, Mr. HELMS, Mr. HUTCHINSON, Mr. INHOFE, Mr. INOUYE, Mr. JOHNSON, Mr. KENNEDY, Mr. KERRY, Mr. KOHL, Ms. LANDRIEU, Mrs. LINCOLN, Mr. MCCONNELL, Ms. MIKULSKI, Mr. NICKLES, Mr. SESSIONS, Mr. SPECTER, Mr. STEVENS, Mr. VOINOVICH, and Mr. DAYTON):

S. Res. 218. A resolution designating the week beginning March 17 , 2002, as ''National Safe Place Week''; to the Committee on the Judiciary.

By Mr. GRAHAM (for himself, Mr. HELMS, Mr. DEWINE, and Mr. TORRICELLI):

S. Res. 219. A resolution expressing support for the democratically elected Government of Colombia and its efforts to counter threats from United States-designated foreign terrorist organizations; to the Committee on Foreign Relations.

By Mr. GRASSLEY:

S. Res. 220. A resolution expressing the sense of the Senate regarding the continued attacks on democracy and the rule of law in Colombia, including the kidnappings of the elected representatives of the people of Colombia; to the Committee on Foreign Relations.

By Mr. CAMPBELL (for himself, Mr. LEAHY, Mr. HATCH, Mr. ALLARD, Ms. CANTWELL, Mr. GREGG, Mr. ROCKEFELLER, Mr. BINGAMAN, Mr. BIDEN, Mr. BUNNING, Mr. COCHRAN, Mr. ALLEN, Mr. THOMAS, and Mr. HUTCHINSON):

S. Res. 221. A resolution to commemorate and acknowledge the dedication and sacrifice made by the men and women who have lost their lives while serving as law enforcement officers; to the Committee on the Judiciary.

ADDITIONAL COSPONSORS

S. 442

At the request of Mr. CAMPBELL, the name of the Senator from Virginia (Mr. ALLEN) was added as a cosponsor of S. 442, a bill to exempt qualified current and former law enforcement officers from State laws prohibiting the carrying of concealed firearms and to allow States to enter into compacts to recognize other States' concealed weapons permits.

S. 540

At the request of Mr. DEWINE, the name of the Senator from South Carolina (Mr. HOLLINGS) was added as a cosponsor of S. 540, a bill to amend the Internal Revenue Code of 1986 to allow as a deduction in determining adjusted gross income the deduction for expenses in connection with services as a member of a reserve component of the Armed Forces of the United States, to allow employers a credit against income tax with respect to employees who participate in the military reserve components, and to allow a comparable credit for participating reserve component self-employed individuals, and for other purposes.

S. 885

At the request of Mr. HUTCHINSON, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 885, a bill to amend title XVIII of the Social Security Act to provide for national standardized payment amounts for inpatient hospital services furnished under the medicare program.

S. 913

At the request of Ms. SNOWE, the name of the Senator from Maryland (Ms. MIKULSKI) was added as a cosponsor of S. 913, a bill to amend title XVIII of the Social Security Act to provide for coverage under the medicare program of all oral anticancer drugs.

S. 952

At the request of Mr. GREGG, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. 952, a bill to provide collective bargaining rights for public safety officers employed by States or their political subdivisions.

S. 1140

At the request of Mr. HATCH, the name of the Senator from Oregon (Mr. SMITH) was added as a cosponsor of S. 1140, a bill to amend chapter 1 of title 9, United States Code, to provide for greater fairness in the arbitration process relating to motor vehicle franchise contracts.

S. 1152

At the request of Mr. DURBIN, the name of the Senator from New Mexico (Mr. BINGAMAN) was added as a cosponsor of S. 1152, a bill to ensure that the business of the Federal Government is conducted in the public interest and in a manner that provides for public accountability, efficient delivery of services, reasonable cost savings, and prevention of unwarranted Government expenses, and for other purposes.

S. 1523

At the request of Mrs. FEINSTEIN, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 1523, a bill to amend title II of the Social Security Act to repeal the Government pension offset and windfall elimination provisions.

S. 1899

At the request of Mr. BROWNBACK, the name of the Senator from Alaska (Mr. MURKOWSKI) was added as a cosponsor of S. 1899, a bill to amend title 18, United States Code, to prohibit human cloning.

S. 1915

At the request of Mrs. LINCOLN, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 1915, a bill to amend the Internal Revenue Code of 1986 to treat natural gas distribution lines as 10-year property for depreciation purposes.

S. 1917

At the request of Mr. JEFFORDS, the names of the Senator from Texas (Mrs. HUTCHISON), the Senator from North Carolina (Mr. HELMS), the Senator from Kansas (Mr. ROBERTS), the Senator from West Virginia (Mr. BYRD), and the Senator from Washington (Mrs. MURRAY) were added as cosponsors of S. 1917, a bill to provide for highway infrastructure investment at the guaranteed funding level contained in the Transportation Equity Act for the 21st Century.

S. 1933

At the request of Mr. SHELBY, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. 1933, a bill to amend the Securities Exchange Act of 1934 and the Securities Act of 1933, to address liability standards in connection with violations of the Federal securities laws, and for other purposes.

S. 1967

At the request of Mr. KERRY, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 1967, a bill to amend title XVIII of the Social Security Act to improve outpatient vision services under part B of the medicare program.

S. 1977

At the request of Mr. THURMOND, the name of the Senator from Massachusetts (Mr. KENNEDY) was added as a cosponsor of S. 1977, a bill to amend chapter 37 of title 28, United States Code, to provide for appointment of United States marshals by the Attorney General.

S. 1984

At the request of Mr. BUNNING, the name of the Senator from New Hampshire (Mr. SMITH) was added as a cosponsor of S. 1984, a bill to authorize the Secretary of Health and Human Services to make grants to nonprofit tax-exempt organizations for the purchase of ultrasound equipment to provide free examinations to pregnant women needing such services, and for other purposes.

S. 1991

At the request of Mr. HOLLINGS, the names of the Senator from Montana (Mr. BAUCUS) and the Senator from Maine (Ms. SNOWE) were added as cosponsors of S. 1991, to establish a national rail passenger transportation system, reauthorize Amtrak, improve security and service on Amtrak, and for other purposes.

S.J. RES. 33

At the request of Mr. HOLLINGS, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S.J. Res. 33, a joint resolution proposing an amendment to the Constitution of the United States relating to contributions and expenditures intended to affect elections.

S. RES. 207

At the request of Mr. BINGAMAN, the names of the Senator from Connecticut (Mr. DODD), the Senator from New Mexico (Mr. DOMENICI), the Senator from New York (Mr. SCHUMER), and the Senator from Pennsylvania (Mr. SPECTER) were added as cosponsors of S. Res. 207, a resolution designating March 31, 2002, and March 31, 2003, as ''National Civilian Conservation Corps Day.''

AMENDMENT NO. 2979

At the request of Mr. CORZINE, his name was added as a cosponsor of amendment No. 2979 .

At the request of Mr. MCCAIN, the name of the Senator from New Jersey (Mr. TORRICELLI) was added as a cosponsor of amendment No. 2979 supra.

At the request of Mr. MURKOWSKI, his name was added as a cosponsor of amendment No. 2979 supra.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mrs. CARNAHAN:

S. 1997. A bill to require a pilot program to assess the adoption of the Air Force Expeditionary Medical Support System by the Air National Guard; to the Committee on Armed Services.

Mrs. CARNAHAN. Mr. President, as the last few months have shown, America's citizen soldiers and airmen are vital to Homeland Security.

Air Guard fighter pilots have patrolled the skies over our largest cities. Army Guard units police our air terminals and ports of entry.

These brave men and women stand sentry over our Nation. They are making America safer.

But we must be ready to respond if terrorists again succeed in bringing harm to American people. We must be ready to rescue the victims, care for the sick, and aid the injured. This will take cooperation from every level of government—local, State, and Federal agencies.

Dr. Jeffery Lowell is the St. Louis Mayor's Chief of a special team called the Medical Critical Incident Response Group. He is responsible for determining how the region's 30-plus hospitals will provide medical aid to the 2½ million residents of the St. Louis metropolitan area.

Dr. Lowell reports only that 70 to 80 critical care beds are available at any one time. But we need to prepare for the possibility that an attack could generate hundreds, perhaps thousands, of injuries.

Additionally, the entire St. Louis metropolitan area does not have enough emergency responders to care for so many victims. Help would need to come from other cities, other States. This would take time, many hours, even days. In situations like this, lost time means lost lives.

There is an answer to this problem, and it involves the same Guard men and women I mentioned earlier.

The answer is the Expeditionary Medical System, or EMEDS. EMEDS is a new rapid response medical system. It was created by the Air Force to rush its medics with blazing speed anywhere in the world they are needed, at a moment's notice.

Our military relies on this life-saving capability during wartime, but it could prove just as valuable to the civilian community here, in America.

The legislation I am introducing today would establish an EMEDS program in the Air Guard. This bill gives the Air Guard an EMEDS program so that we are prepared for any disaster or attack on the home front, as our troops have been on the war front.

Our Guard soldiers and airmen pride themselves on being light, lean, and lethal. EMEDS will make our Guard medics light, lean, and life-saving, able to react within minutes to an attack.

The new equipment and training that EMEDS would provide the Guard will allow it to respond to attacks or disasters within minutes. And once on site, Guard EMEDS will be able to remain there for days without re-supply, they are self-sustaining. They would assist local responders.

EMEDS will care for sick, provide emergency medicine to wounded, even perform life-saving surgery. Additionally, Guard EMEDS would be able to perform in a biological, chemical, or radiological warfare environment.

If the pilot program is successful, I would hope each State's Guard will acquire EMEDS capability. America needs this capability as its citizens grapple with the emerging threats facing them within the United States.

The National Guard is the perfect organization to provide Americans this valuable homeland defense initiative.

This bill is supported by the U.S. Air Force Surgeon General as well as several other national military organizations such as the Air Force Sergeants Association, National Guard Association and the Air Force Association.

I am proud to offer this bill. Guard EMEDS is a ground-breaking initiative. This first step toward ensuring that each State, through its Guard units, can medically respond to disasters and terrorist attacks with life-saving immediacy.

I believe this measure is of vital importance to our national security.

I urge my colleagues to support this bill's passage.

By Ms. STABENOW

S. 2000. A bill to amend the Internal Revenue Code of 1986 to provide for a special depreciation allowance for certain property acquired after December 31, 2001, and before January 1, 2004; to the Committee on Finance.

Ms. STABENOW. Mr. President, recently we passed legislation to protect families hurt in this recession by extending unemployment protection for an additional 13 weeks.

It was the right thing to do. Now let's finish the job by helping them get back to work. Let's pass a stimulus bill that will jump start the economy and create more employment.

I am introducing a bill that will encourage business investment in new equipment and technology by offering a 30-percent depreciation bonus on capital goods with a depreciation life of 20 years for less as defined by IRS.

The bonus would apply to purchases made by the end of 2003 to encourage spending now, not years from now.

This depreciation bonus is a broad-based incentive that would help businesses both large and small in almost every sector of our economy.

The IRS list of qualifying industries and equipment runs nine pages in very small type and there's not much that isn't covered.

It would help industries from autos to agriculture, from construction to computers, from energy to electronics, and more.

And not only would this bill help the manufacturing industries that make these products, spurring employment, but it would also help the businesses that buy these products by making their workers more productive.

I count this as a win/win situation. Let me give you an example of how this depreciation bonus would work. To keep the math simple, let's talk about a business that buys a computer for $1,000. Under IRS regulations, computers have a 5-year deduction life.

With the depreciation bonus, the business would immediately take a 30-percent deduction on the $1,000 computer, a deduction of $300, making the computer now worth $700.

Now the business would take all the standard depreciation deductions allowed over the 5-years, but at the $700 value. For a computer that would mean another 20-percent deduction in the first year. That's another $140.

That means a total deduction of $440, or 44 percent, in just the first year.

I support this bill because it is not targeted to specific industries or companies or individuals. Almost every business in America, large, small and in between, can benefit from this depreciation bonus.

I support this bill because it would be a needed short-term shot in the arm for the economy, without shooting holes in our long-term goal of fiscal responsibility.

I support this bill because it would create jobs, and support existing jobs, bolstering the consumer economy, which is two thirds of our Gross Domestic Product and vital to getting us out of this recession.

This bill has the support of a broad range of business and industrial groups. I urge my colleagues to support this legislation as well. Let's rev up the economy without running up debt.

I ask unanimous consent that a copy of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2000

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SPECIAL DEPRECIATION ALLOWANCE FOR CERTAIN PROPERTY ACQUIRED AFTER DECEMBER 31, 2001, AND BEFORE JANUARY 1, 2004.

(a) IN GENERAL.—Section 168 of the Internal Revenue Code of 1986 (relating to accelerated cost recovery system) is amended by adding at the end the following new subsection:

''(k) SPECIAL ALLOWANCE FOR CERTAIN PROPERTY ACQUIRED AFTER DECEMBER 31, 2001, AND BEFORE JANUARY 1, 2004.—

''(1) ADDITIONAL ALLOWANCE.—In the case of any qualified property—

''(A) the depreciation deduction provided by section 167(a) for the taxable year in which such property is placed in service shall include an allowance equal to 30 percent of the adjusted basis of the qualified property, and

''(B) the adjusted basis of the qualified property shall be reduced by the amount of such deduction before computing the amount otherwise allowable as a depreciation deduction under this chapter for such taxable year and any subsequent taxable year.

''(2) QUALIFIED PROPERTY.—For purposes of this subsection—

''(A) IN GENERAL.—The term 'qualified property' means property—

''(i)(I) to which this section applies which has a recovery period of 20 years or less or which is water utility property,

''(II) which is computer software (as defined in section 167(f)(1)(B)) for which a deduction is allowable under section 167(a) without regard to this subsection,

''(III) which is qualified leasehold improvement property, or

''(IV) which is eligible for depreciation under section 167(g),

''(ii) the original use of which commences with the taxpayer after December 31, 2001,

''(iii) which is—

''(I) acquired by the taxpayer after December 31, 2001, and before January 1, 2004, but only if no written binding contract for the acquisition was in effect before January 1, 2002, or

''(II) acquired by the taxpayer pursuant to a written binding contract which was entered into after December 31, 2001, and before January 1, 2004, and

''(iv) which is placed in service by the taxpayer before January 1, 2004, or, in the case of property described in subparagraph (B), before January 1, 2005.

''(B) CERTAIN PROPERTY HAVING LONGER PRODUCTION PERIODS TREATED AS QUALIFIED PROPERTY.—

''(i) IN GENERAL.—The term 'qualified property' includes property—

''(I) which meets the requirements of clauses (i), (ii), and (iii) of subparagraph (A),

''(II) which has a recovery period of at least 10 years or is transportation property, and

''(III) which is subject to section 263A by reason of clause (ii) or (iii) of subsection (f)(1)(B) thereof.

''(ii) ONLY PRE-JANUARY 1, 2004, BASIS ELIGIBLE FOR ADDITIONAL ALLOWANCE.—In the case of property which is qualified property solely by reason of clause (i), paragraph (1) shall apply only to the extent of the adjusted basis thereof attributable to manufacture, construction, or production before January 1, 2004.

''(iii) TRANSPORTATION PROPERTY.—For purposes of this subparagraph, the term 'transportation property' means tangible personal property used in the trade or business of transporting persons or property.

''(C) EXCEPTIONS.—

''(i) ALTERNATIVE DEPRECIATION PROPERTY.—The term 'qualified property' shall not include any property to which the alternative depreciation system under subsection (g) applies, determined—

''(I) without regard to paragraph (7) of subsection (g) (relating to election to have system apply), and

''(II) after application of section 280F(b) (relating to listed property with limited business use).

''(ii) ELECTION OUT.—If a taxpayer makes an election under this clause with respect to any class of property for any taxable year, this subsection shall not apply to all property in such class placed in service during such taxable year.

''(D) SPECIAL RULES.—

''(i) SELF-CONSTRUCTED PROPERTY.—In the case of a taxpayer manufacturing, constructing, or producing property for the taxpayer's own use, the requirements of clause (iii) of subparagraph (A) shall be treated as met if the taxpayer begins manufacturing, constructing, or producing the property after December 31, 2001, and before January 1, 2004.

''(ii) SALE-LEASEBACKS.—For purposes of subparagraph (A)(ii), if property—

''(I) is originally placed in service after December 31, 2001, by a person, and

''(II) sold and leased back by such person within 3 months after the date such property was originally placed in service,

such property shall be treated as originally placed in service not earlier than the date on which such property is used under the leaseback referred to in subclause (II).

''(E) COORDINATION WITH SECTION 280F.—For purposes of section 280F—

''(i) AUTOMOBILES.—In the case of a passenger automobile (as defined in section 280F(d)(5)) which is qualified property, the Secretary shall increase the limitation under section 280F(a)(1)(A)(i) by $4,600.

''(ii) LISTED PROPERTY.—The deduction allowable under paragraph (1) shall be taken into account in computing any recapture amount under section 280F(b)(2).

''(3) QUALIFIED LEASEHOLD IMPROVEMENT PROPERTY.—For purposes of this subsection—

''(A) IN GENERAL.—The term 'qualified leasehold improvement property' means any improvement to an interior portion of a building which is nonresidential real property if—

''(i) such improvement is made under or pursuant to a lease (as defined in subsection (h)(7))—

''(I) by the lessee (or any sublessee) of such portion, or

''(II) by the lessor of such portion,

''(ii) such portion is to be occupied exclusively by the lessee (or any sublessee) of such portion, and

''(iii) such improvement is placed in service more than 3 years after the date the building was first placed in service.

''(B) CERTAIN IMPROVEMENTS NOT INCLUDED.—Such term shall not include any improvement for which the expenditure is attributable to—

''(i) the enlargement of the building,

''(ii) any elevator or escalator,

''(iii) any structural component benefiting a common area, and

''(iv) the internal structural framework of the building.

''(C) DEFINITIONS AND SPECIAL RULES.—For purposes of this paragraph—

''(i) BINDING COMMITMENT TO LEASE TREATED AS LEASE.—A binding commitment to enter into a lease shall be treated as a lease, and the parties to such commitment shall be treated as lessor and lessee, respectively.

''(ii) RELATED PERSONS.—A lease between related persons shall not be considered a lease. For purposes of the preceding sentence, the term 'related persons' means—

''(I) members of an affiliated group (as defined in section 1504), and

''(II) persons having a relationship described in subsection (b) of section 267; except that, for purposes of this clause, the phrase '80 percent or more' shall be substituted for the phrase 'more than 50 percent' each place it appears in such subsection.

''(D) IMPROVEMENTS MADE BY LESSOR.—In the case of an improvement made by the person who was the lessor of such improvement when such improvement was placed in service, such improvement shall be qualified leasehold improvement property (if at all) only so long as such improvement is held by such person.''.

(b) ALLOWANCE AGAINST ALTERNATIVE MINIMUM TAX.—

(1) IN GENERAL.—Section 56(a)(1)(A) of the Internal Revenue Code of 1986 (relating to depreciation adjustment for alternative minimum tax) is amended by adding at the end the following new clause:

''(iii) ADDITIONAL ALLOWANCE FOR CERTAIN PROPERTY ACQUIRED AFTER DECEMBER 31, 2001, AND BEFORE JANUARY 1, 2004.—The deduction under section 168(k) shall be allowed.''

(2) CONFORMING AMENDMENT.—Clause (i) of section 56(a)(1)(A) of the Internal Revenue Code of 1986 is amended by striking ''clause (ii)'' both places it appears and inserting ''clauses (ii) and (iii)''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after December 31, 2001, in taxable years ending after such date.

By Mr. CAMPBELL:

S. 2001. A bill to require the Secretary of Defense to report to Congress regarding the requirements applicable to the inscription of veterans' names on the memorial wall of the Vietnam Veterans Memorial; to the Committee on Armed Services.

Mr. CAMPBELL. Mr. President, today I introduce the Fairness to All Fallen Vietnam War Service Members Act of 2002. Almost forty years ago, our country started sending a generation of young men off to fight in Vietnam. Over 58,000 American soldiers gave their lives to their country in and around the lands, skies, and seas of Vietnam.

The ultimate sacrifices many of these men have made are honored on the Vietnam Veterans Memorial Wall here in Washington, D.C. There are, however, names that are missing from the wall, names that rightfully should be there with their fallen fellow Americans. It is now time to correct that omission.

On the morning of June 3, 1969, the United States destroyer, U.S.S. *Frank E. Evans*, was cut in half during a training exercise by the Australian aircraft carrier, *Melbourne*. The front half of the destroyer sank in three minutes claiming the lives of seventy-four men.

While these men were not lost due to enemy fire, they were involved in serious combat only days before this tragedy. At the time of the accident, the U.S.S. *Frank E. Evans* was taking part in Operation Sea Spirit in the South China Sea which involved over 40 ships from Southeast Asia Treaty Organization Nations. These brave men were instrumental in forwarding American objectives in Vietnam.

The fact is these men died while serving their country and are due the

rights and honors they deserve, including being listed on the Vietnam Memorial Wall.

Two of my fellow Coloradans, Brian Crowson and Del A. Francis were on board on that fateful morning and survived this horrible accident. Sadly, 74 of their fellow sailors were not as fortunate.

There are many cases of men and women who were killed serving their country in Southeast Asia, yet they are not eligible to have their names placed on the Wall.

At a time when we rightly honor heroes across our country, should we not also take the necessary step to ensure that our past heroes are also honored?

This legislation directs the Secretary of Defense to determine an appropriate manner to recognize and honor Vietnam Veterans who died in service to our Nation but whose names were excluded from the Vietnam Veterans Memorial Wall. It further asks for input from government agencies and organizations that originally constructed the Vietnam Veterans Memorial Wall regarding the feasibility of adding additional names. Finally, the bill asks for appropriate alternative options for recognizing these veterans should it be deemed that there is no logistical way to add these names.

As a veterann of the Korean War, I personally understand the ultimate sacrifice many of our brave men and women have made for the price of freedom. This recognition should not be taken lightly.

I am honored to introduce this companion bill to H.R. 3443, which was introduced by my good friend and colleague in the House of Representatives, Congressman STEVE HORN.

I look forward to working with my colleagues here in the Senate as well as Representative HORN and the U.S.S. Frank E. Evans Association so that we can pass this long overdue legislation.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD as follows:

S. 2001

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Fairness to All Fallen Vietnam War Service Members Act of 2002''.

SEC. 2. FINDINGS.

Congress finds as follows:

(1) Public Law 96–297 (94 Stat. 827) authorized the Vietnam Veterans Memorial Fund, Inc., (the ''Memorial Fund'') to construct a memorial ''in honor and recognition of the men and women of the Armed Forces of the United States who served in the Vietnam war''.

(2) The Memorial Fund determined that the most fitting tribute to those who served in the Vietnam war would be to permanently inscribe the names of the members of the Armed Forces who died during the Vietnam war, or who remained missing at the conclusion of the war, on a memorial wall.

(3) The Memorial Fund relied on the Department of Defense to compile the list of individuals whose names would be inscribed on the memorial wall and the criteria for inclusion on such list.

(4) The Memorial Fund established procedures under which mistakes and omissions in the inscription of names on the memorial wall could be corrected.

(5) Under such procedures, the Department of Defense established eligibility requirements that must be met before the Memorial Fund will make arrangements for the name of a veteran to be inscribed on the memorial wall.

(6) The Department of Defense determines the eligibility requirements and has periodically modified such requirements.

(7) As of February 1981, in order for the name of a veteran to be eligible for inscription on the memorial wall, the veteran must have—

(A) died in Vietnam between November 1, 1955, and December 31, 1960;

(B) died in a specified geographic combat zone on or after January 1, 1961;

(C) died as a result of physical wounds sustained in such combat zone; or

(D) died while participating in, or providing direct support to, a combat mission immediately en route to or returning from such combat zone.

(8) Public Law 106–214 (114 Stat. 335) authorizes the American Battle Monuments Commission to provide for the placement of a plaque within the Vietnam Veterans Memorial ''to honor those Vietnam veterans who died after their service in the Vietnam war, but as a direct result of that service, and whose names are not otherwise eligible for placement on the memorial wall''.

(9) The names of a number of veterans who died during the Vietnam war are not eligible for inscription on the memorial wall or the plaque.

(10) Examples of such names include the names of the 74 servicemembers who died aboard the USS Frank E. Evans (DD–174) on June 3, 1969, while the ship was briefly outside the combat zone participating in a training exercise.

SEC. 3. STUDY AND REPORT.

(a) STUDY.—The Secretary of Defense shall conduct a study that—

(1) identifies the veterans (as defined in section 101(2) of title 38, United States Code) who died on or after November 1, 1955, as a direct or indirect result of military operations in southeast Asia and whose names are not eligible for inscription on the memorial wall of the Vietnam Veterans Memorial;

(2) evaluates the feasibility and equitability of revising the eligibility requirements applicable to the inscription of names on the memorial wall to be more inclusive of such veterans; and

(3) evaluates the feasibility and equitability of creating an appropriate alternative means of recognition for such veterans.

(b) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report based on the study conducted under subsection (a). Such report shall include—

(1) the reasons (organized by category) that the names of the veterans identified under subsection (a)(1) are not eligible for inscription on the memorial wall under current eligibility requirements, and the number of veterans affected in each category;

(2) a list of the alternative eligibility requirements considered under subsection (a)(2);

(3) a list of the alternative means of recognition considered under subsection (a)(3); and

(4) the conclusions and recommendations of the Secretary of Defense with regard to the feasibility and equitability of each alternative considered.

(c) CONSULTATIONS.—In conducting the study under subsection (a) and preparing the report under subsection (b), the Secretary of Defense shall consult with—

(1) the Secretary of Veterans Affairs;

(2) the Secretary of the Interior;

(3) the Vietnam Veterans Memorial Fund, Inc.;

(4) the American Battle Monuments Commission;

(5) the Vietnam Women's Memorial, Inc.; and

(6) the National Capital Planning Commission.

STATEMENTS ON SUBMITTED RESOLUTIONS

SENATE RESOLUTION 218—DESIGNATING THE WEEK BEGINNING MARCH 17, 2002, AS ''NATIONAL SAFE PLACE WEEK''

Mr. CRAIG (for himself, Mr. CLELAND, Mr. ALLEN, Mr. BAYH, Mr. BINGAMAN, Mrs. BOXER, Mr. BREAUX, Mr. BURNS, Mr. CAMPBELL, Ms. CANTWELL, Mr. COCHRAN, Mr. CRAPO, Mr. DASCHLE, Mr. DEWINE, Mr. DOMENICI, Mr. EDWARDS, Mr. ENZI, Mr. FIENGOLD, Mrs. FEINSTEIN, Mr. FRIST, Mr. HAGEL, Mr. HELMS, Mr. HUTCHINSON, Mr. INHOFE, Mr. INOUYE, Mr. JOHNSON, Mr. KENNEDY, Mr. KERRY, Mr. KOHL, Ms. LANDRIEU, Mrs. LINCOLN, Mr. MCCONNELL, Ms. MIKULSKI, Mr. NICKLES, Mr. SESSIONS, Mr. SPECTER, Mr. STEVENS, Mr. VOINOVICH, and Mr. DAYTON) submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 218

Whereas today's youth are vital to the preservation of our country and will be the future bearers of the bright torch of democracy;

Whereas youth need a safe haven from various negative influences such as child abuse, substance abuse and crime, and they need to have resources readily available to assist them when faced with circumstances that compromise their safety;

Whereas the United States needs increased numbers of community volunteers acting as positive influences on the Nation's youth;

Whereas the Safe Place program is committed to protecting our Nation's most valuable asset, our youth, by offering short term ''safe places'' at neighborhood locations where trained volunteers are available to counsel and advise youth seeking assistance and guidance;

Whereas Safe Place combines the efforts of the private sector and non-profit organizations uniting to reach youth in the early stages of crisis;

Whereas Safe Place provides a direct means to assist programs in meeting performance standards relative to outreach/community relations, as set forth in the Federal Runaway and Homeless Youth Act guidelines;

Whereas the Safe Place placard displayed at businesses within communities stands as a beacon of safety and refuge to at-risk youth;

Whereas over 641 communities in 39 states and more than 11,000 locations have established Safe Place programs;

Whereas over 53,000 young people have gone to Safe Place locations to get help when faced with crisis situations;

Whereas through the efforts of Safe Place coordinators across the country each year more than one-half million students learn that Safe Place is a resource if abusive or neglectful situations exist;

Whereas increased awareness of the program's existence will encourage communities to establish Safe Places for the Nation's youth throughout the country: Now, therefore, be it

Resolved, That the Senate—

(1) proclaims the week of March 17 through March 23, 2002 as ''National Safe Place Week'' and

(2) request that the President issue a proclamation calling upon the people of the United States and interested groups to promote awareness of and volunteer involvement in the Safe Place programs, and to observe the week with appropriate ceremonies and activities.

SENATE RESOLUTION 219—EXPRESSING SUPPORT FOR THE DEMOCRATICALLY ELECTED GOVERNMENT OF COLOMBIA AND ITS EFFORTS TO COUNTER THREATS FROM UNITED STATES-DESIGNATED FOREIGN TERRORIST ORGANIZATIONS

Mr. GRAHAM (for himself, Mr. HELMS, Mr. DEWINE, and Mr. TORRICELLI) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 219

Whereas the democratically elected Government of Colombia, led by President Andres Pastrana, is the legitimate authority in the oldest representative democracy in South America;

Whereas the Secretary of State, in consultation with the Attorney General and the Secretary of the Treasury, is required to designate as foreign terrorist organizations those groups whose activities threaten the security of United States nationals or the national security interests of the United States pursuant to section 219 of the Immigration and Nationality Act;

Whereas the Secretary of State has designated 3 Colombian terrorist groups as foreign terrorist organizations, including the Revolutionary Armed Forces of Colombia (FARC), the United Self-Defense Forces of Colombia (AUC), and the National Liberation Army (ELN);

Whereas all 3 United States-designated foreign terrorist organizations regularly engage in criminal acts, including murder, kidnapping, and extortion perpetrated against Colombian civilians, government officials, security forces, and against foreign nationals, including United States citizens;

Whereas the FARC is holding 5 Colombian legislators, a presidential candidate, and Colombian police and army officers and soldiers as hostages and has recently escalated bombings against civilian targets, including a foiled attempt to destroy the city of Bogota's principal water reservoir;

Whereas, according to the Colombian government, the FARC has received training in terrorist techniques and technology from foreign nationals;

Whereas, since 1992, United States-designated foreign terrorist organizations in Colombia have committed serious crimes against United States citizens, kidnapping more than 50 Americans and murdering at least 10 Americans;

Whereas the Drug Enforcement Administration believes that members of the FARC and the AUC directly engage in narcotics trafficking;

Whereas individual members of Colombia's security forces have collaborated with illegal paramilitary organizations by, inter alia, in some instances allowing such organizations to pass through roadblocks, sharing tactical information with such organizations, and providing such organizations with supplies and ammunition;

Whereas while the Colombian government has made progress in its efforts to combat and capture members of illegal paramilitary organizations and taken positive steps to break links between individual members of the security forces and such organizations, further steps by the Colombian government are warranted;

Whereas in 1998, Colombian President Andres Pastrana began exhaustive efforts to negotiate a peace agreement with the FARC and implemented extraordinary confidence-building measures to advance these negotiations, including establishing a 16,000-square-mile safe haven for the FARC;

Whereas the Government of Colombia has also undertaken substantial efforts to negotiate a peace agreement with the ELN;

Whereas the United States has consistently supported the Government of Colombia's protracted efforts to negotiate a peace agreement with the FARC and supports the Government of Colombia in its continuing efforts to reach a negotiated agreement with the ELN;

Whereas the United States would welcome a negotiated, political solution to end the violence in Colombia;

Whereas, after the FARC hijacked a commercial airplane and took Colombian Senator Jorge Eduardo Gechem Turbay as a hostage into the government-created safe haven, President Pastrana ended his government's sponsorship of the peace negotiations with the FARC and ordered Colombia's security forces to reestablish legitimate governmental control in the safe haven;

Whereas President Pastrana has received strong expressions of support from foreign governments and international organizations for his decision to end the peace talks and dissolve the FARC's safe haven; and

Whereas the Government of Colombia's negotiations with the ELN are continuing despite the end of the negotiations with the FARC: Now, therefore, be it

Resolved, That—

(1) the Senate—

(A) expresses its support for the democratically elected Government of Colombia and the Colombian people as they strive to protect their democracy from terrorism and the scourge of illicit narcotics; and

(B) deplores the continuing criminal terrorist acts of murder, abduction, and extortion carried out by all United States-designated foreign terrorist organizations in Colombia against United States citizens, the civilian population of Colombia, and Colombian authorities; and

(2) it is the sense of the Senate that the President, without undue delay, should transmit to Congress for its consideration proposed legislation, consistent with United States law regarding the protection of human rights, to assist the Government of Colombia to protect its democracy from United States-designated foreign terrorist organizations and the scourge of illicit narcotics.

SENATE RESOLUTION 220—EXPRESSING THE SENSE OF THE SENATE REGARDING THE CONTINUED ATTACKS ON DEMOCRACY AND THE RULE OF LAW IN COLOMBIA, INCLUDING THE KIDNAPPINGS OF THE ELECTED REPRESENTATIVES OF THE PEOPLE OF COLOMBIA

Mr. GRASSLEY submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 220

Whereas Colombia is home to the oldest democracy in Latin America and has consistently been a friend of the United States;

Whereas Colombia has been affected by the violence generated by the terrorist acts of illegal armed groups;

Whereas the largest of these groups, the Revolutionary Armed Forces of Colombia (FARC), has used kidnapping, extortion, terrorism, and narcotics trafficking to raise money for its activities;

Whereas those most affected by the targets of these activities have been the people of Colombia;

Whereas in October 1997, almost 10,000,000 Colombians voted for a mandate for peace that asked all presidential candidates to find peace in Colombia through political negotiation;

Whereas in June 1998, 6,500,000 Colombians voted for President Andres Pastrana and his project for peace in Colombia;

Whereas, since his election, President Pastrana has worked consistently and persistently to find a peaceful solution to the ongoing conflict between the Government of Colombia and the insurgency groups operating within the borders of Colombia;

Whereas the Government of Colombia put forth several proposals for peace and made sacrifices in sovereign territory and commitments in funding in hopes of achieving peace in Colombia only to have these overtures repeatedly rejected;

Whereas, on January 20, 2002, the Government of Colombia and the FARC were able to agree on a schedule to be followed in order to define the future of the peace process;

Whereas, since this accord was signed by the FARC, the FARC has consistently and repeatedly taken violent actions against the people and the Government of Colombia in the form of terrorist attacks, including—

(1) car bombs;

(2) attacking government installations;

(3) mining new fields;

(4) homicides, including women and children;

(5) destroying electric pylons;

(6) bombing oil pipelines;

(7) destroying bridges; and

(8) attacks on the dam that provides water to Bogota;

Whereas five democratically elected representatives of the Colombian Congress are currently being held against their will after being kidnapped by the FARC, including—

(1) Representative Oscar Tulio Lizcano, a member of the Conservative Party and elected by the people of Colombia to represent the Province of Caldas, who was kidnapped in the municipality of Riosucio, Province of Caldas, on August 5, 2000, by members of the ''Aurelio Rodriguez Front'' of the ''Jose Maria Cordoba Block'' of the FARC;

(2) Senator Luis Eladio Perez, a member of the Liberal Party and elected by the people of Colombia, while visiting several municipalities on a political tour who was kidnapped in the town of Ipiales, Province of Nariflo, on June 10, 2001, by elements of the

FARC, as a second attempt to kidnap Senator Eladio, the first occurring at the end of May 2001, and frustrated by his security detail;

(3) Representative Orlando Beltran Cuellar, a member of the Liberal party from the Province of Huila and elected by the people of Colombia, who was kidnapped by the FARC in the municipality of Gigante, Province of Huila, on August 28, 2001;

(4) Representative Consuelo Gonzalez de Perdomo, a member of the Liberal Party from the Province of Huila and elected by the people of Colombia, who was kidnapped by the FARC in the municipality of Hobo, Province of Huila, on September 11, 2001; and

(5) Senator Jorge Eduardo Gechem Turbay, a member of the Liberal Party from the Province of Huila, elected by the people of Colombia, and President of the Colombian Senate's Peace Commission, who was kidnapped on February 20, 2002, when four members of the FARC hijacked a commercial AIRES aircraft traveling from Neiva to Bogota with 30 passengers on board and who was removed from the aircraft after it was forced to land on a rural road in the municipality of Hobo, Province of Huila; and

Whereas Saturday, February 23, Presidential Candidate Ingrid Betancourt and her campaign manager Clara Rojas were kidnapped by the FARC as she traveled to San Vicente del Caguan: Now, therefore, be it

Resolved, That the Senate—

(1) expresses its strong support for the democratically elected Government of Colombia and the Colombian people in their struggle to protect their democracy from terrorism and the scourge of illicit narcotics;

(2) deplores the continuing criminal terrorist acts of murder, abduction, and extortion carried out by all illegal armed groups in Colombia against the civilian population of Colombia and Colombian authorities;

(3) condemns the kidnapping of elected representatives of the people of Colombia by the FARC and extends its sympathy to the families and friends of the kidnapped members of the Colombian Congress; and

(4) urges the President to develop a comprehensive strategic policy proposal, consistent with United States law regarding human rights and the environment, to assist the Government of Colombia in defending its democracy and rule of law from illegal armed groups and the scourge of illicit narcotics.

Mr. GRASSLEY. Mr. President, I am sending to the desk a sense-of-the-Senate resolution on the current situation in Colombia.

The resolution expresses outrage over the current attacks on democracy and democratic institutions in Colombia by a gang of vicious thugs. The most recent outrage, in a long history of outrages, was the hijacking of a commercial airliner filled with innocent people that was forced to land, and then the kidnapping at gun point of a distinguished Colombian Senator. That Senator remains a prisoner, his fate unknown and uncertain. Four other members of the Colombian Congress are also prisoners, and now so is one of the candidates for president in Colombia's upcoming elections. Other members have been murdered, their families threatened, their children terrorized. These are only the most publicly visible victims of Colombia's guerrilla thugs.

There can be no clearer testimony, if further evidence was called for, of the vicious nature of the actions of Colombia's insurgent movement, the FARC. They have branded themselves, if it was not clear before, as outright terrorists. Their actions are an assault on the rule of law and on democracy.

My resolution expresses the concern over the fate of those in a companion institution. Our sympathies must go to their families, our concern to their countryman in their time of threat an menace. I hope that other members will join me in expressing our unanimous concern for the fate of democracy and the rule of law in Colombia. The other body has passed a resolution expressing its concern. I hope we will as well.

SENATE RESOLUTION 221—TO COMMEMORATE AND ACKNOWLEDGE THE DEDICATION AND SACRIFICE MADE BY THE MEN AND WOMEN WHO HAVE LOST THEIR LIVES WHILE SERVING AS LAW ENFORCEMENT OFFICERS

Mr. CAMPBELL (for himself, Mr. LEAHY, Mr. HATCH, Mr. ALLARD, Ms. CANTWELL, Mr. GREGG, Mr. ROCKEFELLER, Mr. BINGAMAN, Mr. BIDEN, Mr. BUNNING, Mr. COCHRAN, Mr. ALLEN, Mr. THOMAS, and Mr. HUTCHINSON) submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 221

Whereas the well-being of all citizens of the United States is preserved and enhanced as a direct result of the vigilance and dedication of law enforcement personnel;

Whereas more than 700,000 men and women, at great risk to their personal safety, presently serve their fellow citizens as guardians of peace;

Whereas peace officers are on the front line in preserving the right of the children of the United States to receive an education in a crime-free environment, a right that is all too often threatened by the insidious fear caused by violence in schools;

Whereas 70 peace officers died at the World Trade Center in New York City on September 11, 2001, the most peace officers ever killed in a single incident in the history of the Nation;

Whereas more than 220 peace officers across the Nation were killed in the line of duty during 2001, 57 percent more police fatalities than the previous year, and the deadliest year for the law enforcement community since 1974;

Whereas every year, 1 out of every 9 peace officers is assaulted, 1 out of every 25 peace officers is injured, and 1 out of every 4,400 peace officers is killed in the line of duty; and

Whereas on May 15, 2002, more than 15,000 peace officers are expected to gather in Washington, D.C. to join with the families of their recently fallen comrades to honor those comrades and all others who went before them: Now, therefore, be it

Resolved, That the Senate—

(1) recognizes May 15, 2002 as Peace Officers Memorial Day, in honor of Federal, State, and local officers killed or disabled in the line of duty; and

(2) calls upon the people of the United States to observe this day with appropriate ceremonies and respect.

Mr. CAMPBELL. Mr. President, today I am joined by the chairman and ranking member of the Senate Judiciary Committee, Senators LEAHY and HATCH, along with several other Senators in submitting this resolution to keep alive in the memory of all Americans the sacrifice and commitment of those law enforcement officers who lost their lives serving their communities. Specifically, this resolution would designate May 15, 2002, as National Peace Officers Memorial Day.

As a former deputy sheriff, I know first-hand the risks which law enforcement officers face everyday on the front lines protecting our communities. Currently, more than 700,000 men and women who serve this Nation as our guardians of law and order do so at a great risk. Every year, about 1 in 9 officers is assaulted, 1 in 25 officers is injured, and 1 in 4,400 officers is killed in the line of duty. There are few communities in this country that have not been impacted by the words: ''officer down.''

On September 11, 2001, 70 peace officers died at the World Trade Center in New York City as a result of a cowardly act of terrorism. This single act of terrorism resulted in the highest number of peace officers ever killed in a single incident in the history of this country. Thirty-seven of those fallen heroes served with the Port Authority of New York and New Jersey Police Department: twenty-three were New York City police officers; three worked for the New York Office of Court Administration; five were with the New York Office of Tax Enforcement; one was a FBI special agent; and one was a master special officer with the U.S. Secret Service. Before this event, the greatest loss of law enforcement like in a single incident occurred in 1917, when nine Milwaukee police officers were killed in a bomb blast at their police station.

In 2001, more than 200 Federal, State and local law enforcement officers give their lives in the line of duty. This represents more than a 57 percent increase in police fatalities over the previous year. And, in total, nearly 15,0000 men and women have made the supreme sacrifice.

The chairman of the National Law Enforcement Officers Memorial Fund, Craig W. Floyd, reminds us:

> The level of public support and appreciation for our law enforcement officers has increased dramatically since September 11. But the incredible bravery and selfless sacrifice our officers displayed that day was no different than every other day of the year in communities across America. We owe all of our police officers a huge debt of gratitude for the invaluable work they do.

On May 15, 2002, more than 15,000 peace officers are expected to gather in our Nation's Capitol to join with the families of their fallen comrades who by their faithful and loyal devotion to their responsibilities have rendered a dedicated service to their communities. In doing so, these heroes have established for themselves an enviable and enduring reputation for preserving the rights and security of all citizens. This resolution is a fitting tribute for this special and solemn occasion.

I urge my colleagues to join us in supporting passage of this important resolution.

AMENDMENTS SUBMITTED AND PROPOSED

SA 2983. Mr. VOINOVICH (for himself, Mr. BINGAMAN, Mr. SMITH, of New Hampshire, Mr. DOMENICI, Ms. LANDRIEU, Mr. MURKOWSKI, Mr. HAGEL, Mr. CRAPO, Mr. THOMAS, Mr. INHOFE, Mr. THOMPSON, Mr. BOND, Mr. CAMPBELL, Mr. FRIST, Mr. KYL, Mr. CRAIG, Mrs. LINCOLN, Mr. HUTCHINSON, and Mr. SESSIONS) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) to authorize funding the Department of Energy to enhance its mission areas through technology transfer and partnerships for fiscal years 2002 through 2006, and for other purposes.

SA 2984. Mr. REID proposed an amendment to amendment SA 2983 proposed by Mr. VOINOVICH (for himself, Mr. BINGAMAN, Mr. SMITH of New Hampshire, Mr. DOMENICI, Ms. LANDRIEU, Mr. MURKOWSKI, Mr. HAGEL, Mr. CRAPO, Mr. THOMAS, Mr. INHOFE, Mr. THOMPSON, Mr. BOND, Mr. CAMPBELL, Mr. FRIST, Mr. KYL, Mr. CRAIG, Mrs. LINCOLN, Mr. HUTCHINSON, and Mr. SESSIONS) to the amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) supra.

SA 2985. Mr. BUNNING (for himself and Mr. VOINOVICH) submitted an amendment intended to be proposed to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) supra; which was ordered to lie on the table.

SA 2986. Mr. BINGAMAN (for himself, Mr. BAUCUS, Mr. BOND, Mr. BREAUX, Mr. CAMPBELL, Mr. CONRAD, Mr. DORGAN, Mr. INHOFE, Ms. LANDRIEU, Mrs. LINCOLN, Mr. THOMAS, Mr. SESSIONS, Mr. ROCKEFELLER, Mr. ENZI, Mr. MURKOWSKI, Mr. NICKLES, Mr. HUTCHINSON, and Mr. VOINOVICH) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) supra.

SA 2987. Mr. CRAIG proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) supra.

SA 2988. Mr. MURKOWSKI proposed an amendment to amendment SA 2979 proposed by Mr. MCCAIN (for himself, Mr. HOLLINGS, Mrs. MURRAY, Mr. BINGAMAN, Mr. BREAUX, Mr. SMITH of Oregon, Mr. DOMENICI, Mrs. HUTCHISON, and Mr. WYDEN) to the amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) supra.

SA 2989. Mrs. FEINSTEIN (for herself, Ms. CANTWELL, Mr. WYDEN, Mrs. BOXER, Mr. LEAHY, Mr. DURBIN, Mr. FITZGERALD, and Mr. CORZINE) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) supra.

SA 2990. Mr. BINGAMAN (for himself and Mr. DOMENICI) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) supra.

SA 2991. Mr. BINGAMAN (for Mr. AKAKA) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) supra.

TEXT OF AMENDMENTS

SA 2983. Mr. VOINOVICH (for himself, Mr. BINGAMAN, Mr. SMITH of New Hampshire, Mr. DOMENICI, Ms. LANDRIEU, Mr. MURKOWSKI, Mr. HAGEL, Mr. CRAPO, Mr. THOMAS, Mr. INHOFE, Mr. THOMPSON, Mr. BOND, Mr. CAMPBELL, Mr. FRIST, Mr. KYL, Mr. CRAIG, Mrs. LINCOLN, Mr. HUTCHINSON, and Mr. SESSIONS) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) to authorize funding the Department of Energy to enhance its mission areas through technology transfer and partnerships for fiscal years 2002 through 2006, and for other purposes; as follows:

On page 115, strike line 5 and all that follows through page 119, line 10 and insert the following:

Subtitle A—Price-Anderson Act Reauthorization

SEC. 501. SHORT TITLE.

This subtitle may be cited as the ''Price-Anderson Amendments Act of 2002''.

SEC. 502. EXTENSION OF INDEMNIFICATION AUTHORITY.

(a) INDEMNIFICATION OF NUCLEAR REGULATORY COMMISSION LICENSEES.—Section 170 c. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(c)) is amended—

(1) in the subsection heading, by striking ''LICENSES'' and inserting ''LICENSEES''; and

(2) by striking ''August 1, 2002'' each place it appears and inserting ''August 1, 2012''.

(b) INDEMNIFICATION OF DEPARTMENT OF ENERGY CONTRACTORS.—Section 170 d.(1)(A) of the Atomic Energy Act of 1954 (42 U.S.C. 2210(d)(1)(A)) is amended by striking '', until August 1, 2002,''.

(c) INDEMNIFICATION OF NONPROFIT EDUCATIONAL INSTITUTIONS.—Section 170 k. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(k)) is amended by striking ''August 1, 2002'' each place it appears and inserting ''August 1, 2012''.

SEC. 503. DEPARTMENT OF ENERGY LIABILITY LIMIT.

(a) INDEMNIFICATION OF DEPARTMENT OF ENERGY CONTRACTORS.—Seciton 170 d. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(d)) is amended by striking paragraph (2) and inserting the following:

''(2) In agreements of indemnification entered into under paragraph (1), the Secretary—

''(A) may require the contractor to provide and maintain financial protection of such a type and in such amounts as the Secretary shall determine to be appropriate to cover public liability arising out of or in connection with the contractual activity; and

''(B) shall indemnify the persons indemnified against such liability above the amount of the financial protection required, in the amount of $10,000,000,000 (subject to adjustment for inflation under subsection t.), in the aggregate, for all persons indemnified in connection with such contract and for each nuclear incident, including such legal costs of the contractor as are approved by the Secretary.''.

(b) CONTRACT AMENDMENTS.—Section 170 d. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(d)) is further amended by striking paragraph (3) and inserting the following:

''(3) All agreements of indemnification under which the Department of Energy (or its predecessor agencies) may be required to indemnify any person under this section shall be deemed to be amended, on the date of the enactment of the Price-Anderson Amendments Act of 2002, to reflect the amount of indemnity for public liability and any applicable financial protection required of the contractor under this subsection.''.

(c) LIABILITY LIMIT.—Section 170 e.(1)(B) of the Atomic Energy Act of 1954 (42 U.S.C. 2210(e)(1)(B)) is amended

(1) by striking ''the maximum amount of financial protection required under subsection b. or''; and

(2) by striking ''paragraph (3) of subsection d., whichever amount is more'' and inserting ''paragraph (2) of subsection d.''.

SEC. 504. INCIDENTS OUTSIDE THE UNITED STATES.

(a) AMOUNT OF INDEMNIFICATION.—Section 170 d.(5) of the Atomic Energy Act of 1954 (42 U.S.C. 2210(d)(5)) is amended by striking ''$100,000,000'' and inserting ''$500,000,000''.

(b) LIABILITY LIMIT.—Seciton 170 e.(4) of the Atomic Energy Act of 1954 (42 U.S.C. 2210(e)(4)) is amended by striking ''$100,000,000'' and inserting ''$500,000,000''.

SEC. 505. REPORTS.

Section 170 p. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(p)) is amended by striking ''August 1, 1998'' and inserting ''August 1, 2008''.

SEC. 506. INFLATION ADJUSTMENT.

Section 170 t. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(t)) is amended—

(1) by redesignating paragraph (2) as paragraph (3); and

(2) by adding after paragraph (1) the following:

''(2) The Secretary shall adjust the amount of indemnification provided under an agreement of indemnification under subsection d. not less than once during each 5-year period following July 1, 2002, in accordance with the aggregate percentage change in the Consumer Price Index since—

''(A) that date, in the case of the first adjustment under this paragraph; or

''(B) the previous adjustment under this paragraph.''.

SEC. 507. CIVIL PENALTIES.

(a) REPEAL OF AUTOMATIC REMISSION.—Section 234A b.(2) of the Atomic Energy Act of 1954 (42 U.S.C. 2282a (b)(2)) is amended by striking the last sentence.

(b) LIMITATION FOR NOT-FOR-PROFIT INSTITUTIONS.—Subsection d. of section 234A of the Atomic Energy Act of 1954 (42 U.S.C. 2282a(d)) is amended to read as follows:

''d. (1) Notwithstanding subsection a., in the case of any not-for-profit contractor, subcontractor, or supplier, the total amount of civil penalties assessed under subsection a. may not exceed the total amount of fees paid within any one-year period (as determined by the Secretary) under the contract under which the violation occurs.

''(2) For purposes of this section, the term 'not-for-profit' means that no part of the net earnings of the contractor, subcontractor, or supplier inures, or may lawfully inure, to the benefit of any natural person or for-profit artificial person.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall not apply to any violation of the Atomic Energy Act of 1954 occurring under a contract entered into before the date of enactment of this section.

SEC. 508. TREATMENT OF MODULAR REACTORS.

Section 170 b. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(b)) is amended by adding at the end the following:

''(5)(A) For purposes of this section only, the Commission shall consider a combination of facilities described in subparagraph (B) to be a single facility having a rated capacity of 100,000 electrical kilowatts or more.

''(B) A combination of facilities referred to in subparagraph (A) is 2 or more facilities located at a single site, each of which has a rated capacity of 100,000 electrical kilowatts or more but not more than 300,000 electrical kilowatts, with a combined rated capacity of not more than 1,300,000 electrical kilowatts.''.

SEC. 509. EFFECTIVE DATE.

The amendments made by sections 503(a) and 504 do not apply to any nuclear incident

that occurs before the date of the enactment of this subtitle.

SA 2984. Mr. REID proposed an amendment to amendment SA 2983 proposed by Mr. VOINOVICH (for himself, Mr. BINGAMAN, Mr. SMITH of New Hampshire, Mr. DOMENICI, Ms. LANDRIEU, Mr. MURKOWSKI, Mr. HAGEL, Mr. CRAPO, Mr. THOMAS, Mr. INHOFE, Mr. THOMPSON, Mr. BOND, Mr. CAMPBELL, Mr. FRIST, Mr. KYL, Mr. CRAIG, Mrs. LINCOLN, Mr. HUTCHINSON, and Mr. SESSIONS) to the amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) to authorize funding the Department of Energy to enhance its mission areas through technology transfer and partnerships for fiscal years 2002 through 2006, and for other purposes; as follows:

In lieu of the matter to be inserted, insert the following:

SEC. 5___. FINANCIAL PROTECTION FOR LICENSEES.

(a) STANDARD DEFERRED PREMIUM.—Section 170b.(1) of the Atomic Energy Act of 1954 (42 U.S.C. 2210(b)(1)) is amended in the third sentence by striking ''$63,000,000 (subject to adjustment for inflation under subsection t.), but not more than $10,000,000 in any 1 year'' and inserting ''$88,000,000 (subject to adjustment for inflation under subsection t.), but not more than $20,000,000 in any 1 year (subject to adjustment for inflation under subsection t.)''.

(b) FINANCIAL HARDSHIP.—Section 170b.(2)(A) of the Atomic Energy Act of 1954 (42 U.S.C. 2210(b)(2)(A)) is amended by striking ''paragraph (1)'' and all that follows and inserting ''paragraph (1) for any facility if more than 1 nuclear incident occurs in any 1 calendar year.''.

(c) NEW LICENSES.—Section 170c. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(c)) is amended—

(1) by striking ''The Commission'' and inserting the following:

''(1) LICENSES ISSUED ON OR BEFORE AUGUST 1, 2002.—The Commission''; and

(2) by adding at the end the following:

''(2) LICENSES ISSUED AFTER AUGUST 1, 2002.—After August 1, 2002, as a condition to receiving a license for a utilization facility under this Act, the applicant, before receiving the license, shall obtain insurance coverage from the private insurance market for the full potential liability (including the public liability and any other liability) of the person that might arise as a result of a nuclear incident at the utilization facility.

SEC. 5___. GUARANTEE OF DEFERRED PREMIUM; FINANCIAL QUALIFICATIONS.

Section 170b. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(b)) is amended by adding at the end the following:

''(5) GUARANTEE OF DEFERRED PREMIUM.—

''(A) CONDITION OF INDEMNIFICATION.—Not later than 180 days after the date of enactment of this paragraph, and not less frequently than each year thereafter, the Commission, in consultation with the Securities and Exchange Commission, shall, as a condition of indemnification, require each licensee to demonstrate that the licensee has the financial ability to pay the full potential retrospective premium for each reactor through 1 or more of—

''(i) a surety bond;

''(ii) a letter of credit or loan;

''(iii) an insurance policy; or

''(iv) maintenance of an escrow deposit of government securities in reserves, a trust, or an equivalent instrument.

''(B) REORGANIZATION PROCEEDINGS.—If a licensee or creditors of a licensee file a petition under chapter 11 of title 11, United States Code, for reorganization of the licensee, the Commission—

''(i) shall review the ability of the licensee to—

''(I) pay the full amount of prospective and standard deferred premiums; and

''(II) ensure that adequate funds will be available for safe operation of the licensed facility; and

''(ii) if the Commission determines that the licensee is unable to meet the requirements of clause (i), shall not renew any indemnification of the licensee under this section.

''(6) FINANCIAL QUALIFICATIONS.—

''(A) IN GENERAL.—The Commission, in consultation with the Securities and Exchange Commission, shall establish criteria and procedures for determination of the minimum financial qualifications for new licensees (including license transferees) to ensure that the new licensee has the resources and instruments necessary to—

''(i) operate safely if it becomes necessary to shut down a reactor for 12 months or longer; and

''(ii) ensure payment of prospective and deferred premiums under this subsection.

''(B) CONDITION.—A license shall be conditioned on meeting and maintaining the minimum financial qualifications established under subparagraph (A).''.

SEC. 5___. PRESIDENTIAL COMMISSION ON INCIDENT CONSEQUENCES.

Section 170(1) of the Atomic Energy Act of 1954 (42 U.S.C. 2210(l)) is amended—

(1) in paragraph (1), by striking ''1988'' and inserting ''2002'';

(2) in paragraph (2)—

(A) in subparagraph (A), by striking ''not less than 7 and not more than 11 members'' and inserting ''6, 8, 10, or 12 members''; and

(B) in subparagraph (B), by striking ''not more than a mere majority of the members are of the same political party'' and inserting ''there are equal numbers of members of each major political party''; and

(3) by striking paragraph (3) and inserting the following:

''(3) DUTIES.—

''(A) IN GENERAL.—The study commission shall conduct a comprehensive study of the economic, public health, and environmental impacts of nuclear incidents that may result in a full breach of containment and uncontained meltdown at a facility built in accordance with an existing design or a proposed design.

''(B) INPUTS.—The matters to be studied under subparagraph (A) include—

''(i) for each existing and proposed facility—

''(I) the public health effects; and

''(II) the economic costs attributable to public health effects, property damage, environmental damage, and evacuation and resettlement of affected populations;

of a worst-case nuclear incident; and

''(ii) the ability of the licensee of each existing or proposed facility to pay the standard deferred premium for a potential occurrence at each covered facility of the licensee and at a facility that is not covered by the licensee.

''(C) SENSITIVITY ANALYSIS.—

''(i) IN GENERAL.—In studying the matters under subparagraph (B)(i), the study commission shall conduct a sensitivity analysis based on various modeling input assumptions to determine the maximum potential consequences of a worst-case nuclear incident.

''(ii) ASSUMPTIONS.—The assumptions on which the sensitivity analysis is based shall include assumptions regarding—

''(I) nuclear incident scenarios;

''(II) weather patterns;

''(III) traffic patterns; and

''(IV) human behavior that may have an effect on evacuation of persons threatened by a nuclear incident.''.

SEC. 5___. ACTS OF TERRORISM.

Section 11q. of the Atomic Energy Act of 1954 (42 U.S.C. 2014(q)) is amended—

(1) by striking ''q. The term'' and inserting the following:

''q. NUCLEAR INCIDENT.—

''(1) IN GENERAL.—The term''; and

(2) by adding at the end the following:

''(2) OCCURRENCES.—

''(A) IN GENERAL.—In paragraph (1), the term 'occurrence' includes an act that the President determines to have been an act of domestic terrorism or international terrorism (as those terms are defined in section 2331 of title 18, United States Code).

''(B) NO JUDICIAL REVIEW.—A determination of the President under subparagraph (A) shall not be subject to judicial review.''.

SEC. 5___. TREATMENT OF NUCLEAR REACTOR FINANCIAL OBLIGATIONS.

Section 523 of title 11, United States Code, is amended by adding at the end the following:

''(f) TREATMENT OF NUCLEAR REACTOR FINANCIAL OBLIGATIONS.—Notwithstanding any other provision of this title—

''(1) any funds or other assets held by a licensee or former licensee of the Nuclear Regulatory Commission, or by any other person, to satisfy the responsibility of the licensee, former licensee, or any other person to comply with a regulation or order of the Nuclear Regulatory Commission governing the decontamination and decommissioning of a nuclear power reactor licensed under section 103 or 104b. of the Atomic Energy Act of 1954 (42 U.S.C. 2133, 2134(b)) shall not be used to satisfy the claim of any creditor in any proceeding under this title, other than a claim resulting from an activity undertaken to satisfy that responsibility, until the decontamination and decommissioning of the nuclear power reactor is completed to the satisfaction of the Nuclear Regulatory Commission;

''(2) obligations of licensees, former licensees, or any other person to use funds or other assets to satisfy a responsibility described in paragraph (1) may not be rejected, avoided, or discharged in any proceeding under this title or in any liquidation, reorganization, receivership, or other insolvency proceeding under Federal or State law; and

''(3) private insurance premiums and standard deferred premiums held and maintained in accordance with section 170b. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(b)) shall not be used to satisfy the claim of any creditor in any proceeding under this title, until the indemnification agreement executed in accordance with section 170c. of that Act (42 U.S.C. 2210(c)) is terminated.''.

SA 2985, Mr. BUNNING (for himself and Mr. VOINOVICH) submitted an amendment intended to be proposed to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) to authorize funding the Department of Energy to enhance its mission areas through technology transfer and partnerships for fiscal years 2002 through 2006, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. _. INDUSTRIAL SAFETY RULES FOR DEPARTMENT OF ENERGY NUCLEAR FACILITIES.

Section 170 d. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(d) is amended by adding at the end the following new paragraph:

''(8)(A) It shall be a condition of any agreement of indemnification entered into under this subsection that the indemnified party comply with regulations issued under this paragraph.

''(B) Not later than 180 days after the date of the enactment of this paragraph, the Secretary shall issue industrial health and safety regulations that shall apply to all Department of Energy contractors and subcontractors who are covered under agreements entered into under this subsection for operations at Department of Energy nuclear facilities. Such regulations shall provide a level of protection of worker health and safety that is substantially equivalent to or identical to that provided by the industrial and construction safety regulations of the Occupational Safety and Health Administration (29 CFR 1910 and 1926), and shall establish civil penalties for violation thereof that are substantially equivalent to or identical to the civil penalties applicable to violations of the industrial and construction safety regulations of the Occupational Safety and Health Administration. The Secretary shall amend regulations under this subparagraph as necessary.

''(C) No later than 240 days after the date of the enactment of this paragraph, all agreements described in subparagraph (B), and all contracts and subcontracts for the indemnified contractors and subcontractors, shall be modified to incorporate the requirements of the regulations issued under subparagraph (B). Such modifications shall require compliance with the requirements of the regulations not later than 1 year after the issuance of the regulations.

''(D) Enforcement of regulations issued under subparagraph (B), and inspections required in the course thereof, shall be conducted by the Office of Enforcement of the Office of Environment, Safety, and Health of the Department of Energy. The Secretary shall transmit to the Congress an annual report on the implementation of this subparagraph.''.

SA 2986, Mr. BINGAMAN (for himself Mr. BAUCUS, Mr. BOND, Mr. BREAUX, Mr. CAMPBELL, Mr. CONRAD, Mr. DORGAN, Mr. INHOFE, Ms. LANDRIEU, Mrs. LINCOLN, Mr. THOMAS, Mr. SESSIONS, Mr. ROCKEFELLER, Mr. ENZI, Mr. MURKOWSKI, Mr. NICKLES, Mr. HUTCHINSON, and Mr. VOINOVICH) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) to authorize funding the Department of Energy to enhance its mission areas through technology transfer and partnerships for fiscal years 2002 through 2006, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VI, add the following new section:

''SEC. 610. HYDRAULIC FRACTURING.

''Section 1421 of the Safe Drinking Water Act (42 U.S.C. Sec. 300h) is amended by adding at the end the following:

''(e) HYDRAULIC FRACTURING FOR OIL AND GAS PRODUCTION.—

''(1) STUDY OF THE EFFECTS OF HYDRAULIC FRACTURING.—

''(A) IN GENERAL.—As soon as practicable, but in no event later than 24 months after the date of enactment of this subsection, the Administrator shall complete a study of the known and potential effects on underground drinking water sources of hydraulic fracturing, including the effects of hydraulic fracturing on underground drinking water sources on a nationwide basis, and within specific regions, States, or portions of States.

''(B) CONSULTATION.—In planning and conducting the study, the Administrator shall consult with the Secretary of the Interior, the Secretary of Energy, the Ground Water Protection Council, affected States, and, as appropriate, representatives of environmental, industry, academic, scientific, public health, and other relevant organizations. Such study may be accomplished in conjunction with other ongoing studies related to the effects of oil and gas production on groundwater resources.

''(C) STUDY ELEMENTS.—The study conducted under subparagraph (A) shall, at a minimum, examine and make findings as to whether—

''(i) such hydraulic fracturing has endangered or will endanger (as defined under subsection (d)(2)) underground drinking water sources, including those sources within specific regions, states or portions of States;

''(ii) there are specific methods, practices, or hydrogeologic circumstances in which hydraulic fracturing has endangered or will endanger underground drinking water sources; and

''(iii) there are any precautionary actions that may reduce or eliminate any such endangerment.

''(D) STUDY OF HYDRAULIC FRACTURING IN A PARTICULAR TYPE OF GEOLOGIC FORMATION.—The Administrator may also complete a separate study on the known and potential effects on underground drinking water sources of hydraulic fracturing in a particular type of geologic formation.

''(i) If such a study is undertaken, the Administrator shall follow the procedures for study preparation and independent scientific review set forth in subparagraphs (1)(B) and (C) and (2) of this subsection. The Administrator may complete this separate study prior to the completion of the broader study of hydraulic fracturing required pursuant to subparagraph (A) of this subsection.

''(ii) At the conclusion of independent scientific review for any separate study, the Administrator shall determine, pursuant to paragraph (3), whether regulation of hydraulic fracturing in the particular type of geologic formation addressed in the separate study is necessary under this part to ensure that underground sources of drinking water will not be endangered on a nationwide basis, or within a specific region, State or portions of a state. Subparagraph (4) of this subsection shall apply to any such determination by the Administrator.

''(iii) If the Administrator completes a separate study, the Administrator may use the information gathered in the course of such a study in undertaking her broad study to the extent appropriate. The broader study need not include a reexamination of the conclusions reached by the Administrator in any separate study.

''(2) INDEPENDENT SCIENTIFIC REVIEW.—

''(A) IN GENERAL.—Prior to the time the study under paragraph (1) is completed, the Administrator shall enter into an appropriate agreement with the National Academy of Sciences to have the Academy review the conclusions of the study.

''(B) REPORT.—Not later than 11 months after entering into an appropriate agreement with the Administrator, the National Academy of Sciences shall report to the Administrator, the Committee on Energy and Commerce of the House of Representatives, and the Committee on Environment and Public Works of the Senate, on the—

''(i) findings related to the study conducted by the Administrator under paragraph (1);

''(ii) the scientific and technical basis for such findings; and

''(iii) recommendations, if any, for modifying the findings of the study.

''(3) REGULATORY DETERMINATION.—

''(A) IN GENERAL.—Not later than 6 months after receiving the National Academy of Sciences report under paragraph (2), the Administrator shall determine, after informal public hearings and public notice and opportunity for comment, and based on information developed or accumulated in connection with the study required under paragraph (1) and the National Academy of Sciences report under paragraph (2), either:

''(i) that regulation of hydraulic fracturing under this part is necessary to ensure that underground sources of drinking water will not be endangered on a nationwide basis, or within a specific region, State or portions of a State; or

''(ii) that regulation described under clause (i) is unnecessary.

''(B) PUBLICATION OF DETERMINATION.—The Administrator shall publish the determination in the Federal Register, accompanied by an explanation and the reasons for it.

''(4) PROMULGATION OF REGULATIONS.—

''(A) REGULATION NECESSARY.—If the Administrator determines under paragraph (3) that regulation by hydraulic fracturing under this part is necessary to ensure that hydraulic fracturing does not endanger underground drinking water sources on a nationwide basis, or within a specific region, State or portions of a State, the Administrator shall, within 6 months after the issuance of that determination, and after public notice and opportunity for comment, promulgate regulations under section 1421 (42 U.S.C. 300h) to ensure that hydraulic fracturing will not endanger such underground sources of drinking water. However, for purposes of the Administrator's approval or disapproval under section 1422 of any State underground injection control program for regulating hydraulic fracturing, a State at any time may make the alternative demonstration provided for in section 1425 of this title.

''(B) REGULATION UNNECESSARY.—The Administrator shall not regulate or require States to regulate hydraulic fracturing under this part unless the Administrator determines under paragraph (3) that such regulation is necessary. This provision shall not apply to any State which has a program for the regulation of hydraulic fracturing that was approved by the Administrator under this part prior to the effective date of this subsection.

''(C) EXISTING REGULATIONS.—A determination by the Administrator under paragraph (3) that regulation is unnecessary will relieve all States (including those with existing approved programs for the regulation of hydraulic fracturing) from any further obligation to regulate hydraulic fracturing as an underground injection under this part.

''(5) DEFINITION OF HYDRAULIC FRACTURING.—For purposes of this subsection, the term 'hydraulic fracturing' means the process of creating a fracture in a reservoir rock, and injecting fluids and propping agents, for the purposes of reservoir stimulation related to oil and gas production activities.

''(6) SAVINGS.—Nothing in this subsection shall in any way limit the authorities of the Administrator under section 1431 (42 U.S.C. 300i).

''SEC. 611. AUTHORIZATION OF APPROPRIATIONS.

''There are authorized to be appropriated to the Administrator of the Environmental Protection Agency $100,000 for fiscal year 2003, to remain available until expended, for a grant to the State of Alabama to assist in the implementation of its regulatory program under section 1425 of the Safe Drinking Water Act.''

SA 2987. Mr. CRAIG proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and

Mr. BINGAMAN) to the bill (S. 517) to authorize funding the Department of Energy to enhance its mission areas through technology transfer and partnerships for fiscal years 2002 through 2006, and for other purposes; as follows:

Strike subsection (e) of section 1254 and insert the following:

''(e) AUTHORIZATION OF APPROPRIATIONS.—From amounts authorized under section 1251, the following amounts are authorized for activities under this section and for activities of the Fusion Energy Science Program.

''(1) for fiscal year 2003, $335,000,000;

''(2) for fiscal year 2004, $349,000,000;

''(3) for fiscal year 2005, $362,000,000; and

''(4) for fiscal year 2006, $377,000,000.''.

SA 2988. Mr. MURKOWSKI proposed an amendment to amendment SA 2979 proposed by Mr. MCCAIN (for himself, Mr. HOLLINGS, Mrs. MURRAY, Mr. BINGAMAN, Mr. BREAUX, Mr. SMITH of Oregon, Mr. DOMENICI, Mrs. HUTCHISON, and Mr. WYDEN) to the amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) to authorize funding the Department of Energy to enhance its mission areas through technology transfer and partnerships for fiscal years 2002 through 2006, and for other purposes; as follows:

At the appropriate place, insert the following:

SEC. . CRIMINAL PENALTIES FOR DAMAGING OR DESTROYING A FACILITY.

Section 60123(b) of title 49, United States Code, is amended—

(1) by striking ''or'' after ''gas pipeline facility'' and inserting a comma; and

(2) by inserting after ''liquid pipeline facility'' the following: '', or either an intrastate gas pipeline facility or an intrastate hazardous liquid pipeline facility that is used in interstate or foreign commerce or in any activity affecting interstate or foreign commerce''.

SA 2989. Mrs. FEINSTEIN (for herself, Ms. CANTWELL, Mr. WYDEN, Mrs. BOXER, Mr. LEAHY, Mr. DURBIN, Mr. FITZGERALD, and Mr. CORZINE) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) to authorize funding the Department of Energy to enhance its mission areas through technology transfer and partnerships for fiscal years 2002 through 2006, and for other purposes; as follows:

At the end, add the following:

DIVISION ___—MISCELLANEOUS

TITLE I—ENERGY DERIVATIVES

SEC. ___1. JURISDICTION OF THE COMMODITY FUTURES TRADING COMMISSION OVER ENERGY TRADING MARKETS.

(a) REPEAL OF DEFINITION OF EXEMPT COMMODITY.—Section 1a of the Commodity Exchange Act (7 U.S.C. 1a) is amended by striking paragraph (14) and inserting the following:

''(14) [Repealed.]''.

(b) FERC LIAISON.—Section 2(a)(8) of the Commodity Exchange Act (7 U.S.C. 2(a)(8)) is amended by adding at the end the following:

''(C) FERC LIAISON.—The Commission shall, in cooperation with the Federal Energy Regulatory Commission, maintain a liaison between the Commission and the Federal Energy Regulatory Commission.''.

(c) EXEMPT TRANSACTIONS.—Section 2 of the Commodity Exchange Act (7 U.S.C. 2) is amended by striking subsection (g) and inserting the following:

''(g) EXEMPT TRANSACTIONS.—

''(1) APPLICABILITY.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), this Act shall not apply to any agreement, contract, or transaction in a commodity other than an agricultural commodity if the agreement, contract, or transaction—

''(i) is between persons that are eligible contract participants at the time at which the agreement, contract, or transaction is entered into;

''(ii) is subject to individual negotiation by the parties to the agreement, contract, or transaction; and

''(iii) is not executed or traded on an electronic trading facility.

''(B) EXCEPTIONS.—

''(i) IN GENERAL.—An agreement, contract, or transaction described in subparagraph (A) (other than an agreement, contract, or transaction in an excluded commodity) shall be subject to—

''(I) sections 4b, 4c(b), 4o, and 5b;

''(II) subsections (c) and (d) of section 6, 6c, 6d, and 8a, to the extent that those provisions—

''(aa) provide for the enforcement of the requirements specified in this paragraph and paragraphs (2), (3), and (4); and

''(bb) prohibit the manipulation of the market price of any commodity in interstate commerce or for future delivery on or subject to the rules of any contract market;

''(III) sections 6c, 6d, 8a, and 9(a)(2), to the extent that those provisions prohibit the manipulation of the market price of any commodity in interstate commerce or for future delivery on or subject to the rules of any contract market;

''(IV) section 12(e)(2); and

''(V) section 22(a)(4).

''(ii) EXCLUDED COMMODITIES.—An agreement, contract, or transaction described in subparagraph (A) in an excluded commodity shall be subject to—

''(I) sections 5a (to the extent provided in subsection (g) of that section), 5b, and 5d; and

''(II) section 12(e)(2).

''(2) BILATERAL DEALER MARKETS.—

''(A) IN GENERAL.—A person or group of persons that constitutes, maintains, administers, or provides a physical or electronic facility or system in which a person has the ability to offer, execute, trade, or confirm the execution of an agreement, contract, or transaction (other than an agreement, contract, or transaction in an excluded commodity), by making or accepting the bids and offers of all other participants on the facility or system (including facilities or systems described in clauses (i) and (iii) of section 1a(33)(B)), may offer to enter into, enter into, or confirm the execution of any agreement, contract, or transaction under paragraph (1) (other than an agreement, contract, or transaction in an excluded commodity) if the person or group of persons meets the requirement of subparagraph (B).

''(B) REQUIREMENT.—The requirement of this subparagraph is that a person or group of persons described in subparagraph (A) shall—

''(i) register with the Commission in any capacity that the Commission requires by rule, regulation, or order;

''(ii) file with the Commission any reports (including large trader position reports) that the Commission requires by rule, regulation, or order;

''(iii) maintain sufficient net capital, as determined by the Commission;

''(iv)(I) maintain books and records consistent with section 4i; and

''(II) make those books and records available to representatives of the Commission and the Department of Justice for inspection at all times; and

''(v) make available to the public any information that the Commission determines to be appropriate for public disclosure.

''(3) REPORTING REQUIREMENTS.—On request of the Commission, an eligible contract participant that trades on a facility or system described in paragraph (2)(A) shall provide to the Commission, within the time period specified in the request and in such form and manner as the Commission may require, any information relating to the transactions of the eligible contract participant on the facility or system that the Commission determines to be appropriate.

''(4) TRANSACTIONS EXEMPTED BY COMMISSION ACTION.—Any agreement, contract, or transaction exempt under paragraph (1) (other than an agreement, contract, or transaction in an excluded commodity) that would otherwise be exempted by the Commission under section 4(c) shall be subject to—

''(A) sections 4b, 4c(b), and 4o; and

''(B) subsections (c) and (d) of section 6, 6c, 6d, 8a, and 9(a)(2), to the extent that those provisions prohibit the manipulation of the market price of any commodity in interstate commerce or for future delivery on or subject to the rules of any contract market.

''(5) EFFECT.—This subsection does not affect the power of the Federal Energy Regulatory Commission to regulate transactions described in paragraph (1) under the Federal Power Act (16 U.S.C. 791a et seq.).''.

(d) REPEAL OF GUIDELINES FOR TRANSACTIONS IN EXEMPT COMMODITIES.—Section 2 of the Commodity Exchange Act (7 U.S.C. 2) is amended—

(1) by striking subsection (h); and

(2) by redesignating subsection (i) as subsection (h).

(e) CONTRACTS DESIGNED TO DEFRAUD OR MISLEAD.—Section 4b of the Commodity Exchange Act (7 U.S.C. 6b) is amended by striking subsection (a) and inserting the following:

''(a) PROHIBITION.—It shall be unlawful for any member of a registered entity, or for any correspondent, agent, or employee of any member, in or in connection with any order to make, or the making of, any contract of sale commodity in interstate commerce, made, or to be made on or subject to the rules of any registered entity, or for any person, in or in connection with any order to make, or the making of, any agreement, transaction, or contract in a commodity subject to this Act—

''(1) to cheat or defraud or attempt to cheat or defraud any person;

''(2) willfully to make or cause to be made to any person any false report or statement, or willfully to enter or cause to be entered any false record;

''(3) willfully to deceive or attempt to deceive any person by any means; or

''(4) to bucket the order, or to fill the order by offset against the order of any person, or willfully, knowingly, and without the prior consent of any person to become the buyer in respect to any selling order of any person, or to become the seller in respect to any buying order of any person.''.

(f) CONFORMING AMENDMENTS.—The Commodity Exchange Act is amended—

(1) in section 2(e) (7 U.S.C. 2(e))—

(A) in paragraph (1), by striking ''section 2(d)(2), 2(g), or 2(h)(3)'' and inserting ''subsection (d)(2) or (g)(1)(B)(ii)''; and

(B) in paragraph (3), by striking ''or to comply with section 2(h)(5)'';

(2) in section 2(h) (7 U.S.C. 2(h)) (as redesignated by subsection (d)), by striking ''2(h) or'';

(3) in section 4i (7 U.S.C. 6i)—

(A) by striking ''any contract market or'' and inserting ''any contract market,''; and

(B) by inserting '', or pursuant to an exemption under section 4(c)'' after ''transaction execution facility'';

(4) in section 5a(g)(1) (7 U.S.C. 7a(g)(1)), by striking '', or exempt under section 2(h) of this Act'';

(5) in section 5b (7 U.S.C. 7a–1)—

(A) in subsection (a)(1), by striking ''2(h) or''; and

(B) in subsection (b), by striking ''2(h) or''; and

(6) in section 12(e)(2)(B) (7 U.S.C. 16(e)(2)(B)), by striking ''2(h) or''.

SEC. ___2. RECRUITMENT AND RETENTION OF QUALIFIED PERSONNEL AT THE COMMODITY FUTURES TRADING COMMISSION.

(a) IN GENERAL.—Section 2(a)(6) of the Commodity Exchange Act (7 U.S.C. 2(a)(6)) is amended by adding at the end the following:

''(G) PERSONNEL MATTERS.—

''(i) IN GENERAL.—The Chairman may appoint and fix the compensation of any officers, attorneys, economists, examiners, and other employees that are necessary in the execution of the duties of the Commission.

''(ii) COMPENSATION.—

''(I) IN GENERAL.—Rates of basic pay for all employees of the Commission may be set and adjusted by the Chairman without regard to the provisions of chapter 51 or subchapter III of chapter 53 of title 5, United States Code.

''(II) ADDITIONAL COMPENSATION.—The Chairman may provide additional compensation and benefits to employees of the Chairman if the same type and amount of compensation or benefits are provided, or are authorized to be provided, by any other Federal agency specified in section 1206 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 1833b).

''(III) COMPARABILITY.—In setting and adjusting the total amount of compensation and benefits for employees under this subparagraph, the Chairman shall consult with, and seek to maintain comparability with, any other Federal agency specified in section 1206 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 1833b).''.

(b) CONFORMING AMENDMENTS.—

(1) Section 3132(a)(1) of title 5, United States Code, is amended—

(A) in subparagraph (C), by striking ''or'';

(B) in subparagraph (D), by adding ''or'' at the end; and

(C) by adding at the end the following:

''(E) the Commodity Futures Trading Commission.''.

(2) Section 5316 of title 5, United States Code, is amended—

(A) by striking ''General Counsel, Commodity Futures Trading Commission.''; and

(B) by striking ''Executive Director, Commodity Futures Trading Commission.''.

(3) Section 5373(a) of title 5, United States Code, is amended—

(A) in paragraph (2), by striking ''or'' at the end;

(B) by redesignating paragraph (3) as paragraph (4); and

(C) by inserting after paragraph (2) the following:

''(3) section 2(a)(6)(G) of the Commodity Exchange Act.''.

(4) Section 1206 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 1833b) is amended by inserting ''the Commodity Futures Trading Commission,'' after ''the Farm Credit Administration, ''.

SEC. ___3. JURISDICTION OF THE FEDERAL ENERGY REGULATORY COMMISSION OVER ENERGY TRADING MARKETS.

Section 402 of the Department of Energy Organization Act (42 U.S.C. 7172) is amended by adding at the end the following:

''(i) JURISDICTION OVER DERIVATIVES TRANSACTIONS.—

''(1) IN GENERAL.—To the extent that the Commission determines that any contract under the jurisdiction of the Commission is not in its jurisdiction, the transaction shall be under the jurisdiction of the Commodity Futures Trading Commission.

''(2) MEETINGS.—A designee of the Commission shall meet quarterly with a designee of the Commodity Futures Trading Commission, the Securities Exchange Commission, the Federal Trade Commission, and the Federal Reserve Board to discuss—

''(A) conditions and events in energy trading markets; and

''(B) any changes in Federal law (including regulations) that may be appropriate to regulate energy trading markets.

''(3) LIAISON.—The Commission shall, in cooperation with the Commodity Futures Trading Commission, maintain a liaison between the Commission and the Commodity Futures Trading Commission.''.

SA 2990. Mr. BINGAMAN (for himself and Mr. DOMENICI) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) to authorize funding the Department of Energy to enhance its mission areas through technology transfer and partnerships for fiscal years 2002 through 2006, and for other purposes; as follows:

After section 1413 insert the following:

SEC. 1414. UNITED STATES-MEXICO ENERGY TECHNOLOGY COOPERATION.

(a) FINDING.—Congress finds that the economic and energy security of the United States and Mexico is furthered through collaboration between the United States and Mexico on research related to energy technologies.

(b) PROGRAM.—

(1) IN GENERAL.—The Secretary, acting through the Assistant Secretary for Environmental Management, shall establish a collaborative research, development, and deployment program to promote energy efficient, environmentally sound economic development along the United States-Mexico border to—

(A) mitigate hazardous waste;

(B) promote energy efficient materials processing technologies that minimize environmental damage; and

(C) protect the public health.

(2) CONSULTATION.—The Secretary, acting through the Assistant Secretary for Environmental Management, shall consult with the Office of Energy Efficiency and Renewable Energy in carrying out paragraph (1)(B).

(c) PROGRAM MANAGEMENT.—The program under subsection (b) shall be managed by the Department of Energy Carlsbad Environmental Management Field Office.

(d) COST SHARING.—The cost of any project or activity carried out using funds provided under this section shall be shared as provided in section 1403.

(e) TECHNOLOGY TRANSFER.—In carrying out projects and activities under this section to mitigate hazardous waste, the Secretary shall emphasize the transfer of technology developed under the Environmental Management Science Program of the Department of Energy.

(f) INTELLECTUAL PROPERTY.—In carrying out this section, the Secretary shall comply with the requirements of any agreement entered between the United States and Mexico regarding intellectual property protection.

(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $5,000,000 for fiscal year 2003 and $6,000,000 for each of fiscal years 2004 through 2006, to remain available until expended.

SA 2991. Mr. BINGAMAN (for Mr. AKAKA) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) to authorize funding the Department of Energy to enhance its mission areas through technology transfer and partnerships for fiscal years 2002 through 2006, and for other purposes; as follows:

Strike section 1702 and insert the following:

SEC. 1702. ASSESSMENT OF DEPENDENCE OF STATE OF HAWAII ON OIL.

(a) ASSESSMENT.—The Secretary of Energy shall assess the economic implications of the dependence of the State of Hawaii on oil as the principal source of energy for the State, including—

(1) the short- and long-term prospects for crude oil supply disruption and price volatility and potential impacts on the economy of Hawaii;

(2) the economic relationship between oil-fired generation of electricity from residual fuel and refined petroleum products consumed for ground, marine, and air transportation;

(3) the technical and economic feasibility of increasing the contribution of renewable energy resources for generation of electricity, on an island-by-island basis, including—

(A) siting and facility configuration;

(B) environmental, operational, and safety considerations;

(C) the availability of technology;

(D) effects on the utility system, including reliability;

(E) infrastructure and transport requirements;

(F) community support; and

(G) other factors affecting the economic impact of such an increase and any effect on the economic relationship described in paragraph (2);

(4) the technical and economic feasibility of using liquefied natural gas to displace residual fuel oil for electric generation, including neighbor island opportunities, and the effect of such displacement on the economic relationship described in paragraph (2), including—

(A) the availability of supply;

(B) siting and facility configuration for onshore and offshore liquefied natural gas receiving terminals;

(C) the factors described in subparagraphs (B) through (F) of paragraph (3); and

(D) other economic factors;

(5) the technical and economic feasibility of using renewable energy sources (including hydrogen) for ground, marine, and air transportation energy applications to displace the use of refined petroleum products, on an island-by-island basis, and the economic impact of such displacement on the relationship described in paragraph (2); and

(6) an island-by-island approach to—

(A) the development of hydrogen from renewable resources; and

(B) the application of hydrogen to the energy needs of Hawaii.

(b) CONTRACTING AUTHORITY.—The Secretary may carry out the assessment under subsection (a) directly or, in whole or in

part, through 1 or more contracts with qualified public or private entities.

(c) REPORT.—Not later than 300 days after the date of enactment of this Act, the Secretary shall prepare, in consultation with agencies of the State of Hawaii and other stakeholders, as appropriate, and submit to Congress, a report detailing the findings, conclusions, and recommendations resulting from the assessment.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Thursday, March 7, 2002, at 9:30 a.m., in open session to receive testimony on the defense authorization request for fiscal year 2003 and the future years defense program.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Thursday, March 7, 2002, at 10 a.m. to conduct an oversight hearing on the ''The Semi-Annual Report on Monetary Policy of the Federal Reserve.''

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to hold a hearing during the session of the Senate on Thursday, March 7, at 2:30 p.m. in SD–366. The purpose of this hearing is to receive testimony on the following bills:

S. 213 and H.R. 37, to amend the National Trails System Act to update the feasibility and suitability studies of 4 national historic trails and provide for possible additions to such trails.

S. 1069 and H.R. 834, to amend the National Trails Systems Act to designate the route in Arizona and New Mexico which the Navajo and Mescalero Apache Indian Tribes were forced to walk in 1863 and 1864, for study for potential addition to the National Trails System.

S. 1946, to amend the National Trails Systems Act to designate the Old Spanish Trail as a National Historic Trail.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on Thursday, March 7, 2002 at 10 a.m. to hear testimony on Bush proposal for Medicare modernization.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, March 7, 2002 at 10:15 a.m. to hold a hearing on the children's protocols.

Agenda

Witnesses

Panel 1: The Honorable Michael Southwick, Deputy Assistant Secretary for International Organization Affairs, Department of State, Washington, DC; Mr. Marshall Billingslea, Deputy Assistant Secretary for Negotiations Policy, Department of Defense, Washington, DC; Mr. John Malcolm, Deputy Assistant Attorney General, Criminal Division, Department of Justice, Washington, DC.

Panel 2: Ms. Jo Becker, Children's Rights Advocacy Director, Human Rights Watch, New York, NY; RADM (Ret.) Eugene Carroll, Jr., USN, Vice President Emeritus, Center for Defense Information, Washington, DC; Rear Adm. Timothy O. Fanning, Jr., USNR (ret.), National President of the Navy League of the United States, Washington, DC.

COMMITTEE ON FOREIGN RELATIONS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, March 7, 2002 at 2:30 p.m. to hold a hearing on trafficking.

Agenda

Witnesses

Panel 1: The Honorable Paula Dobriansky, Undersecretary for Global Affairs, Department of State, Washington, DC; Mr. Viet D. Dinh, Assistant Attorney General, Office of Legal Policy, Department of Justice, Washington, DC.

Panel 2: Ms. Nancy Ely-Raphel, Senior Advisor, Office to Monitor and Combat Trafficking in Persons, Department of State, Washington, DC; Dr. Nguyen Van Hanh, Director, Office of Refugee Resettlement, Department of Health and Human Resources, Washington, DC.

Panel 3: Ms. Hae Jung Cho, Coalition to Abolish Slavery and Trafficking, Los Angeles, CA; Mrs. Ann Jordan, Director, Initiative Against Trafficking in Persons, International Human Rights Law Group, Washington, DC; Mrs. Carol Smolensky, Coordinator, End Child Prostitution and Trafficking—USA, New York, NY.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs be authorized to meet on Thursday, March 7, 2002 at 9:30 a.m. to hold a hearing entitled ''Public Health and Natural resources: A Review of the Implementation of our Environmental Laws.''

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON INDIAN AFFAIRS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Indian Affairs be authorized to meet on Thursday, March 7, 2002, at 10 a.m. in room 485 of the Russell Senate Office Building to conduct an oversight hearing on the President's budget request for Indian Programs for fiscal year 2003.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet to conduct a markup on Thursday, March 7, 2002 at 10:00 a.m., in SD 226.

Final Agenda

I. Nominations

Charles W. Pickering, Sr. to be U.S. Circuit Court Judge for the 5th Circuit, Ralph Beistline to be U.S. District Court Judge for the District of Alaska, David Charles Bury to be U.S. District Court Judge for the District of Arizona, Randy Crane to be U.S. District Court Judge for the Southern District of Texas.

To be United States Attorney: Eric F. Melgren for the District of Kansas and Paul I. Perez for the Middle District of Florida.

To be United States Marshal: Theophile Alceste Duroncelet for the Eastern District of Louisiana, John Edward for the District of Vermont, Steven Gilbert Fitzgerald for the Western District of Wisconsin, Gregory Forest to be U.S. Marshal for the WD of NC, James Loren Kennedy for Southern District of Indiana, Dennis Cluff Mwerrill for the District of Oregon, James Thomas Plousis for the District of New Jersey, J.C. Raffety for the Northern District of West Virginia, Charles R. Reavis for the Eastern District of North Carolina, Michael Robert Regan for the Middle District of Pennsylvania, James Anthony Rose for the District of Wyoming, John Schickel for the Eastern District of Kentucky, Jesse Seroyer to be U.S. Marshal for the MD of AL, Timothy Dewayne Welch for the Northern District of Oklahoma, and William R. Whittington for the Western District of Louisiana.

II. Bills

S. 1615, Federal-Local Information Sharing Partnership Act of 2001 [Schumer/Hatch].

S. 1356, The Wartime Treatment of European Americans and Refugees Study Act. [Feingold/Grassley/Kennedy].

III. Resolutions

S. Res. 214, a resolution designating March 25, 2002, as ''Greek Independence Day: A National Day of Celebration of

Greek and American Democracy'' [Specter].

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON VETERANS' AFFAIRS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Veterans' Affairs be authorized to meet during the session of the Senate on Thursday, March 7, 2002, for a joint hearing with the House of Representatives' Committee on Veterans Affairs, to hear the legislative presentations of the Paralyzed Veterans of America, Jewish War Veterans, Blinded Veterans Association, the Non-Commissioned Officers Association, and the Military Order of the Purple Heart.

The hearing will take place in room 345 of the Cannon House Office Building at 10 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON STRATEGIC

Mr. REID. Mr. President, I ask unanimous consent that the subcommittee on Strategic of the Committee on Armed Services be authorized to meet during the session of the Senate on Thursday, March 7, 2002, at 2:30 p.m., in open session to receive testimony on the Ballistic Missile Defense Program and budget in review of the Defense authorization request for fiscal year 2003.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR FRIDAY, MARCH 8, 2002

Mr. REID. Madam President, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 9:15 a.m., Friday, March 8; that following the prayer and the pledge, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and the Senate resume consideration of the message from the House on H.R. 3090.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. REID. Madam President, we expect two rollcall votes beginning at 9:30 a.m., first on the stimulus bill, and second in relation to the McCain amendment to the energy reform bill.

ADJOURNMENT UNTIL 9:15 A.M. TOMORROW

Mr. REID. Madam President, if there is no further business to come before the Senate, I ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 6:43 p.m., adjourned until Friday, March 8, 2002, at 9:15 a.m.

EXTENSIONS OF REMARKS

STATEMENT FOR THE INTRODUCTION OF THE WORK ENTITLED WE SHALL RISE BY DAVID STANCLIFF

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 2002

Mr. YOUNG. Mr. Speaker, I wish to recognize Mr. David Stancliff of Tok, Alaska, for his contribution in helping our nation heal after the tragic events of September 11th, 2001. Mr. Stancliff wrote the song ''We Shall Rise'' in his Tok log cabin and has since traveled to Gettysburg, Pennsylvania, where he joined up with American roots singer Scott Ainslie. Mr. Ainslie performed ''We Shall Rise'' to its first audience at the Gettysburg National Cemetery on November 19th, 2001, the anniversary of the Gettysburg Address.

Lincoln gave birth to the healing of the nation in Gettysburg and Mr. Stancliff's words sung by Mr. Ainslie in the same place will hopefully help heal society. On this single day, November 19th, 2001, ''We Shall Rise'' was performed multiple times in Pennsylvania. ''We Shall Rise'' became the first song ever sung on the floor of the Pennsylvania House of Representatives. It was also performed at the Emergency Services Banquet in Harrisburg, Pennsylvania for the Governor and a thousand emergency service workers, and later that day at Gettysburg College.

We will never forget those who lost their lives on September 11th, 2001. As the battle against terrorism carries on, we are forever indebted to those who fight for our great nation. New challenges at home and abroad continue to test our faith, hope, and resiliency. In this time of mourning and war, we can take comfort and inspiration from the words of David Stancliff's ''We Shall Rise.'' Here are the words to the song that will help us to renew our hopes as well as our faith in people as we face the aftermath of the plane crashes in Pennsylvania, New York, and Washington, DC, as well as the new battle against terrorism abroad:

''WE SHALL RISE''

''Here we are—left behind—when our loved ones had to go.
Here we are—left to fill—lonely spaces here below.
But we shall rise. we shall rise—past mighty towers tall.
We shall rise. we shall rise—we shall rise up from the fall.
Along our streets. when we miss their daily smiles.
Along our streets. we'll be lifted from our trials,
Along our streets. with our memories great and small,
We will rise up from the fall.
We shall rise. rise up from the fall.
We shall rise. on the wings they've given us all.
We shall rise. over every hateful wall.
We shall rise up from the fall.
With their lives. we'll be taken to new heights.
With their lives. we'll turn to darkness into light,
With their lives. when we hear the trumpet's call
We will rise up from the fall.
We shall rise. rise up from the fall.
We shall rise. on the wings they've given us all.
We shall rise. over every hateful wall.
We will rise up from the fall.
They'll all be waiting—up around the bend.
They'll be waiting—the circle never ends.
They'll all be waiting—and when we hear them call,
We will rise up from the fall.
We shall rise. rise up from the fall.
We shall rise. on the wings they've give us all.
We shall rise. over every hateful wall.
We will rise up from the fall—We will rise.''

THE HEALTH CARE IMPROVEMENTS ACT OF 2002

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 2002

Mr. CONYERS. Mr. Speaker, I am pleased to introduce, along with Congressman BARR, the Health Care Improvement Act of 2002. This is the successor legislation to the Campbell/Conyers bill from last Congress, which passed the House by an overwhelming 276–136 vote. We have drafted a more narrow legislative response this Congress in the hope that the bill will be more likely to move in the Senate.

The legislation responds to two alarming anti-consumer trends—the ever increasing level of concentration among health insurers and exclusionary contracting practices by health insurance companies. The last five years have seen a massive consolidation in the health insurance and managed care market as more than a dozen health insurance competitors have been eliminated through mergers and acquisitions.

The dangers posed by this ever increasing market concentration are exacerbated by the practice of health insurers engaging in heavy-handed negotiating tactics and requiring exclusionary contractual commitments from health care providers. Such restrictive contractual terms are frequently proffered on a ''take it or leave it'' basis to health care providers, under the threat of the loss of the provider's patients or exclusion from their access to other patients.

Our legislation responds to the problem by allowing physicians or other health care professional to collectively negotiate with a health plan over contractual terms or plan policies. Presently, joint negotiations with a health plan by physicians or other health care professionals who are not financially integrated are illegal per se under the federal antitrust laws if they involve fees or prices. Under this legislation, such activities would be subject to review based on a more liberal ''rule of reason'' analysis, which could take quality of health care into account.

I have taken a particular interest in this legislation because of the unfairness of the current market situation on African American doctors. I am aware of a number of incidents in Detroit and around the country of minority physicians being threatened that they will lose all of their business unless they enter into one-sided service contracts. This bill gives physicians the ability to respond to these abuses on a collective basis.

The legislation is strongly supported by a wide array of health care professional and trade organizations, including several speaking today.

PERSONAL EXPLANATION

HON. LYNN C. WOOLSEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 2002

Ms. WOOLSEY. Mr. Speaker, I was absent from the House yesterday and part of today due to California's primary elections on March 5, 2002. had I been present, I would have voted:

Rollcall No. 47—''yea''.
Rollcall No. 48—''yea''.
Rollcall No. 49—''nay''.
Rollcall No. 50—''yea''.

INTRODUCTION OF PROTECT OUR WOMEN FROM OVARIAN CANCER ACT OF 2002

HON. STEVE ISRAEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 2002

Mr. ISRAEL. Mr. Speaker, currently, around three-quarters of women with ovarian cancer are diagnosed in advanced stages of the disease, when they have only about a 20 percent chance to surviving five years. However, if the disease is caught early, the five-year survival is around 95 percent. So providing a way to routinely identify the disease in its ''Stage 1'' phase could have a dramatic impact in what is now a very deadly cancer.

Scientist from the Food and Drug Administration and the National Cancer Institute reported in [Petricoin EF, Ardekani AM, Hitt BA, Levine PJ, Fusaro VA, Steinberg SM, Mills GB, Simone C, Fishman DA, Kohn EC, Liotta LA. use of proteomic patterns in serum to identify ovarian cancer. The Lancet 2002:261. Feb. 8, 2002.] that patterns of protein found in patients' blood serum may reflect the presence of the disease.

In the study, scientists used serum proteins to detect ovarian cancer, seven at early stages. using test that can be completed in 30 minutes using blood that can be obtained from a finger stick, researchers were able to differentiate between serum samples taken from

patients with ovarian cancer and those from unaffected individuals.

However, despite the success of this preliminary research, it is only the first step in the testing process. It is incumbent that we find out as soon as possible whether protein screening is an effective preventive health-screening tool for this devastating disease. Therefore I am introducing legislation which will instruct the Secretary of the Department of Health and Human to immediately conduct or support research on the effectiveness of the medical screening technique of using proteomic patterns in blood serum to identify ovarian cancer, including the effectiveness of so using proteomic patterns in combination with other screening methods for ovarian cancer.

If the testing finds the test effective, this legislation would require that Medicare cover the cost of this preventive health-screening tool. Medicare will treat proteomic screening at the same reimbursement rate and under the same rules and restrictions as a Pap smear test.

Therefore, Medicare will cover this test fro all women starting at the age of 50 once every two years and will reimburse health are providers at exactly the same rate as pap smears.

Mr. Speaker, those of us who have been elected to Congress have been entrusted with enormous responsibility and enormous power. We must use our power wisely, for the common good. There is no issue of more importance to the people of the United States than health care, and no more poignant issue than the health off our women. Ovarian cancer is a heartbreaking disease that strikes surreptitiously and long before any symptoms are manifest. Waiting for symptoms means our mothers and sisters and daughters are extremely vulnerable to unacceptably high fatality rates. By detecting the disease in Stage 1, we will save thousands of lives. In the development of national priorities, can there be anything more important than saving lives? I think not. Let us proceed with the research, and if successful, let us implement effective early screening for ovarian cancer.

Mr. Speaker, this is medical breakthrough. Now let us breakthrough government and bureaucracy and start saving lives.

PERSONAL EXPLANATION

HON. BARBARA LEE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 2002

Ms. LEE. Mr. Speaker, I was not present for votes Tuesday or Wednesday, due to official business in my district. Had I been present, I would have voted:

Tuesday, March 5, 2002: ''Yea'' on H. Con. Res. 305, Permitting The Use Of the Rotunda For A Ceremony To Present A Congressional Gold Medal To Former President Ronald Reagan And Nancy Reagan.

Wednesday, March 6, 2002: ''Yea'' on the Journal vote; ''nay'' on House Resolution 354, the rule for considering seven suspension bills, because I believe we should be passing meaningful unemployment insurance relief for laid-off workers first; and ''Yea'' on S.J. Res. 32—Congratulating the U.S. Military Academy at West Point On Its Bicentennial Anniversary.

HONORING RICHARD GONZALES, 2001 RECIPIENT OF THE YMCA DISTINGUISHED SERVICE AWARD

HON. KEN CALVERT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 2002

Mr. CALVERT. Mr. Speaker, my congressional district in Riverside, California is extremely fortunate to have a dynamic and dedicated group of community leaders who willingly and unselfishly give of their time and talents to ensure the well-being of our cities and county. These individuals work tirelessly to develop voluntary community action to improve the region's economy, its education, its environment and its overall quality of life. One individual, who is a member of this group, is Richard Gonzales. He has been active in so many community groups and activities that it is hard to imagine how he found the time to become a career law enforcement officer with the Los Angeles Police Department (LAPD), as the Chief of Police for the City of Coronoa, a husband and a father of two.

On the 9th of March, Mr. Gaonzales will be honored with the Ira. D. ''Cal'' Calvert Distinguished Service Award by the Corona-Norco Family YMCA. The award is given in memory of my father, ''Cal'' Calvert, and his innumerable philanthropic gifts to the community and his efforts to encourage others to serve their community in a similar fashion. The award recognizes Mr. Gonzales for his exceptional devotion to developing community volunteerism.

Richard's career with the LAPD lasted for an impressive 26 years where he commanded many divisions. During those years, he served as a police officer, detective, sergeant, lieutenant and captain. After retiring from LAPD, Richard was named the police chief of Corona in 1998. Richard holds a Master of Arts in Public Administration and a Bachelor of Science in Criminal Justice, both from California State University, Long Beach. He is a graduate of the FBI National Academy in Quantico, Virginia and holds a POST certificate for Command Development. He is also an adjunct professor at Golden West College, where he teaches a POST Discipline course at the Criminal Justice Training Center.

With all of these career and family commitments, Richard's unselfish giving of time and energy to volunteering is all the more impressive and serves as a model to his community, neighbors and own children. His strong commitment to the Inland Empire is displayed in his participation in the Corona Police Community Partnership, Coalition for Family Preservation, Corona Rotary, as a board member for UNITY which deals with community youth sports and the Coronoa-Norco YMCA. Chief Gonzales has actively instituted partnerships with our local school district, ministerial groups and other services in keeping our community safe and raising the quality of life in Corona.

Mr. Speaker, I take this opportunity to thank Richard Gonzales for his dedication, influence and involvement in our community. I know that we will continue to benefit from his longtime experience in the 43rd congressional district and deep commitment to the region. It is a great pleasure for me to congratulate Richard on his outstanding career with the LAPD and his lifelong devotion to the community.

IN MEMORY OF MICHELE MILLS

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 2002

Mr. TOWNS. Mr. Speaker, I rise in honor of a wonderful woman who was taken from us well before her time. Michele Mills was called home on Monday, November 12, 2001. She was aboard American Airlines flight 587, from New York to the Dominican Republican, which seconds after take off tragically fell out of the sky and crashed into a residential neighborhood in Queens, New York.

Michele Mills was born to Priscilla and Eugene Mills on June 4, 1955 in St. Mary's Hospital in Brooklyn. Michele remained a proud resident of Brooklyn for many years living in Red Hook and Crown Heights. After graduating from the Franklin D. Roosevelt High School in 1973, she continued her education at the Fashion Institute of Technology where she majored in merchandising/buying. With encouragement from her sister, Tricia, Michele moved on to an aviation career working for Overseas National Airlines. In 1978, Michele joined American Airlines. She worked there for her remaining twenty-three years.

Michele always kept her priorities in order: God, family, work and hobbies. She realized God's presence in her life at a very early age and joined Brownsville Community Baptist Church, where she served as a faithful member. She was a very spiritual person who routinely began her day with meditation and spiritual readings.

Michele's family and friends were an extremely important part of her life. Her home was a gathering place for festive occasions. She took great pride in graciously serving others and did so with a warm smile. Her colleagues became her extended family.

Michele was an avid reader, a gourmet cook, an interior decorator and a thrifty shopper. She was rarely seen at work or around the house without her ''book of the week,'' nearby. She became well known by her JFK co-workers, family and friends for her famous, ''Michele's Fried Chicken.'' Every aspect of her life was orderly; and her attire was always impeccable. She took little to nothing for granted.

Michele is survived by her parents, Priscilla and Eugene Mills; her siblings, Tricia and Kenneth Mills; her fiancée, Henry Ray; two uncles: Bob Mills of Edison, New Jersey and Freddie Holmes of Columbia, South Carolina; five aunts, Albertha Bell of Brooklyn, New York, Dezel Mallory of North Carolina, Doris Mills of Edison, New Jersey, Lysine Holmes of South Carolina, Irene Holmes of Brooklyn, New York, a great aunt, Lucille Wilkins of Brooklyn, New York, one god-daughter, Stephanie Holmes of Brooklyn, and a host of cousins and friends throughout the United States.

Mr. Speaker, Michele Mills was a woman who enjoyed her religion, her family, her work, and her hobbies. She worked hard, no matter which part of her life was her focus at any particular moment. As such I hope that my colleagues will join me in honoring the memory of this woman who was at the beginning of a truly remarkable life.

IN HONOR OF BRUCE HOCHMAN

HON. ADAM B. SCHIFF

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 2002

Mr. SCHIFF. Mr. Speaker, I rise today to honor the late Bruce Hochman. Mr. Hochman will be greatly missed, as he was a devoted and outstanding member of the Southern California community. Through his civic involvement, he helped affect positive change in the lives of many.

Bruce Hochman received his Bachelor of Arts degree from the University of California, Los Angeles. He later received his Juris Doctorate degree from the same university. Throughout his life, he served as an attorney in many capactities, earning acceptance to practice before the Supreme Court of the United States, Ninth Circuit Court of Appeals, United States District Court, United States Claims Court, and United States Tax Court.

Bruce was an active author and lecturer over the years, speaking on tax law and accounting at a number of prestigious universities and institutes throughout the nation. He has spoken both at the University of California, Los Angeles and the University of Southern California. He also addressed the Southern Tax Institute, Alabama Tax Institute, and the North West Tax Institute.

Bruce was set apart from so many because he devoted himself to the improvement of the lives of others. As the Chairman of the Board of the Foundation for People, Inc., he helped the organization assist federal parolees and probationers with vocational opportunities. For his work with the Anti-Defamation League as a past Regional Board President, National Commissioner and Executive Committee Member, he was honored as an Honorary National Vice Chairman.

So I ask all Members of the United States House of Representatives to pause to honor a great man who helped so many people. He will be missed not only by his family, but by all of those fortunate enough to cross his path.

TRIBUTE TO REVEREND DR. JULIUS RICHARD SCRUGGS

HON. ROBERT E. (BUD) CRAMER, JR.

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 2002

Mr. CRAMER. Mr. Speaker, I rise today to recognize Reverend Dr. Julius Richard Scruggs of the First Missionary Baptist Church in Huntsville, Alabama. This year he celebrates his 42nd pastoral anniversary and his 25th anniversary with First Missionary Baptist. Dr. Scruggs is an incredible asset to this church and the City of Huntsville and deserves every honor on this special anniversary.

Rev. Dr. Julius Scruggs was born in Elkton, Tennessee and grew up in Toney, Alabama. He began his pastoral career at the age of 18 at Pine Grove Missionary Baptist Church in Harvest, Alabama, and has continued his work in the ministry for forty-two years. Dr. Scruggs has been at First Missionary Baptist Church since 1977 and has seen more than 2,500 new members unite with the church during that time. Under his esteemed leadership, the church has begun witnessing and evangelism teams, jail ministry teams, scholarship funds, health and recreation ministries, and has greatly enhanced its Christian Education ministry. The church has also built and paid for a house with Habitat for Humanity and the congregation continues to donate their time and money to help build other Habitat homes for the surrounding community.

Mr. Speaker, I want to express my sincere appreciation of Dr. Scruggs' service to our community in Huntsville. Dr. Scruggs is an important and active member of the national and local Christian community. He is a member and former president of the Greater Huntsville Interdenominational Ministerial Fellowship and was the 1998 recipient of their Dr. Martin Luther King, Jr. Award. Dr. Scruggs' many other accomplishments and community services include being elected Vice President at Large of the National Baptist Convention, U.S.A., Inc. in 1999. First Missionary Baptist and the Huntsville community have been very blessed by Rev. Dr. Julius Scruggs' pastoral career. I want to congratulate and thank him for his forty-two years of invaluable service in the ministry and his twenty-five years at First Missionary Baptist Church in Huntsville.

PERSONAL EXPLANATION

HON. DIANE E. WATSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 2002

Ms. WATSON of California. Mr. Speaker, on Tuesday, March 5, and Wednesday, March 6, I was absent due to the California State Primary Elections. During that period, I missed four recorded votes: S.J. Res. 32, Congratulating the United States Military Academy at West Point on its Bicentennial Anniversary, and Commending its Outstanding Contributions to the Nation; H. Res. 354, Providing for consideration of motions to suspend the rules; On Approving the Journal; and H. Con. Res. 305, Permitting the Use of the Rotunda of the Capitol for a Ceremony to Present a Gold Medal on Behalf of Congress to Former President Ronald Reagan and his Wife Nancy Reagan. Had I been present, I would have voted ''yea'' for S.J. Res. 32, H. Con. Res. 305, and Approving the Journal. I would have voted ''nay'' for H. Res. 354.

FILIPINO SERVICEMEN

HON. RANDY "DUKE" CUNNINGHAM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 2002

Mr. CUNNINGHAM. Mr. Speaker, today I, along with co-sponsor Mr. FILNER of California, introduce legislation aimed at righting a wrong that has been inflicted on a small, hard-working, patriotic segment of our population. When our immigration laws were changed in 1996, we inadvertently affected a group of people that have stalwartly defended our nation since World War II—the Filipino servicemen of the U.S. Navy, and their families.

Under the 1996 changes, life as a Filipino citizen serving our nation became much more difficult than it was in previous years. They saw their families placed in ''deferred action status'' in order to gain authorization to work. This status, however, is not a period of stay that gives them lawful presence in our country. As a result, they are subject to accruing time unlawfully present, thereby making it difficult for them to ever successfully apply for residency or citizenship. In short, if they want to work, they must accrue bad time. This is clearly an injustice and a remedy is long overdue. Any person who legally enlists to serve in the United States military should be allowed to have his immediate family reside here with him for the duration of his enlistment. And those family members should be authorized to work. Additionally, they should not accrue any ''unlawful present time'' while their husband or father is defending our nation. That is the simple purpose behind this legislation, and I urge my colleagues to swiftly pass this important legislation.

While it will not affect a great number of people—the Navy only recruited approximately 400 Filipinos per year until 1991 when this recruitment ended—the people it does impact will be greatly affected.

RECOGNIZING THE LIFE OF THE LATE DR. JOHN HOLLOMAN

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 2002

Mr. RANGEL. Mr. Speaker, I rise today to recognize a great humanitarian, health executive, physician and civil rights leader—the late Dr. John Holloman who passed away on February 27, 2002.

For many years, as president of the New York City public hospital corporation in the mid-1970s, Dr. Holloman battled for increased accessibility to health care for the poor in the city. At the time he was the country's highest-ranking African-American person in health care.

Duly committed to health care for all, he served as Associated Director of Health Services of the William F. Ryan Community Health Center up until the time of his death—a job he held for the past 21 years. Many remember, that on his desk sat a plaque with the simple, but powerful motto that represented the goal of most of his life's work: ''Health Care is Right.''

During his years as an advocate and physician, he managed to influence policies to increase better health care for prison inmates and the inclusion of more minorities in the American Medical Association. He also was instrumental in the civil rights movement, where I remember him taking care of people's feet during the voting rights march from Selma to Montgomery, Alabama. The medical attention he gave to many was a necessity during the long journeys in the fight for civil rights.

His medical and humanitarian deeds, numerous at last count, have been recognized by organizations such as the Urban League, state and private universities, and the Bar Association.

For 50 years, Dr. Holloman political activism, community and national leadership, and provision of both care and concern to the most hard to reach and vulnerable population exemplify the will of a man to accomplish great

deeds for the benefit of all human beings. I ask my colleagues to join me in celebrating the life of Dr. John Holloman a man who today we owe a great deal of gratitude for his work on ensuring equitable access to health care.

A TRIBUTE TO HADASSAH

HON. WM. LACY CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 2002

Mr. CLAY. Mr. Speaker, I would like to take this opportunity to pay a special tribute to one of our nation's most outstanding organizations, a group recognized as both the largest women's and the largest Jewish membership organization in the United States, Hadassah. Hadassah is a name that has come to be synonymous with strength of purpose and humanitarianism. The women of Hadassah are a force for change with an unchanging commitment to serving human needs.

Hadassah, the Women's Zionist Organization of America, recently celebrated its 90th anniversary. Throughout its long history, the women of Hadassah have exemplified the highest ideals of civic awareness and action. They have long combined an agenda of vital international and domestic issues. Proponents of a strong Israeli nation and a peaceful Middle East, they are also champions of fundamental social and domestic programs.

In many ways, Hadassah exemplifies the heart and soul of our democratic society—active involvement in public policy making and civic life. The Hadassah members have successfully channeled their remarkable energies toward an agenda that spans from education and health care, to religious freedom and social justice, to energy and the environment. They are genuinely devoted to serving the human cause.

In so many fundamental ways our nation changed forever last September 11, and we have begun a new chapter in our history. As leaders in Congress, we strive to restore the strength of the American spirit and confidence that was eclipsed by the terrorist events. In this role I am inspired by the women of Hadassah. They have long exercised a very special and unique commitment to domestic and international issues. They are an organization of courageous women whose faith, perseverance and strength of purpose flourishes and thrives in the face of challenge and adversity. I salute Hadassah for its longstanding commitment to enhancing the quality of life for both the people of the United States and the people of Israel. Hadassah members are a source of inspiration and guidance for all Americans as we strive to meet the challenges of achieving peace and domestic security in the years ahead.

INTRODUCTION OF THE ''RESTORATION OF FAIRNESS IN IMMIGRATION ACT OF 2002''

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 2002

Mr. CONYERS. Mr. Speaker, I am pleased to introduce the ''Restoration of Fairness in Immigration Law Act of 2000,'' a bipartisan bill that is supported by the leaders of the Congressional Hispanic, Black and Asian Pacific Caucuses as well as over 60 immigration advocacy groups.

Since this nation's founding, more than 55 million immigrants from every continent have settled in the United States. Immigrants work hard to make ends meet and pay taxes every day. They have lived in this country for decades, married U.S. citizens, and raised their U.S.-citizen children. Laws that single these people out for no other reason than their status as immigrants violate their fundamental right to fair treatment.

Yet, for too many years, Congress has witnessed a wave of anti-immigrant legislation, playing on our worst fears and prejudices. Since 1994, we have considered proposals to ban birthright citizenship, ban bilingual ballots, and slash family and employment based immigration, as well as to limit the number of asylees and refugees. In 1996 we passed laws denying legal residents the right to public benefits and denying immigrants a range of due process and fairness protections.

Recently we have seen the tragedy of September 11th used as an excuse for even more assaults on the rights of immigrants. The Justice Department is now holding deportation hearings in secret and detaining immigrants even after they are ordered released. The Attorney General is reducing both the independence and number of judges that handle the appeals of immigration cases. We are fending off legislation almost daily intended to reduce if not eliminate immigration to this country.

Those who urge us to restrict the due process rights of immigrants forget the reason these rights were established in the first place. We grant due process rights to citizens and non-citizens alike; not out of some soft-hearted sentimentality, but because we believe that these rights form an important cornerstone to maintaining civilized society.

The ''Restoration of Fairness in Immigration Act of 2002'' furthers this proud legacy by restoring our nation's longstanding compassion for individuals seeking to build a better life and reunite with their families.

The bill restores fairness to the immigration process by making sure that each person has a chance to have their case heard by a fair and impartial decision maker. No one here is looking to give immigrants a free ride, just a fair chance.

Our work will not stop with the introduction of this legislation. While this bill lays the benchmark for future Congresses of what our immigration policy should be, I believe that many provisions of this bill can be passed into law, including the restoration of section 245(i), Congressman FRANK's Family Reunification Act and Senator KENNEDY's Immigrant Fairness Restoration Act.

Justice and fairness, as well as our own economic interests, demand that we take these actions.

HONORING RICHARD ''DICK'' DAY

HON. LYNN C. WOOLSEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 2002

Ms. WOOLSEY. Mr. Speaker, I rise today to honor the memory of Richard ''Dick'' Day, a man who walked his talk with both integrity and good humor, and whose life should encourage every citizen working for a better community.

Born in Idaho of a large and boisterous family 67 years ago, Dick Day matured in the hot political atmosphere of the California of the 60's. Not one to fear overwhelming odds, the young Dick Day chaired John F. Kennedy's presidential campaign in the Republican heartland of Orange County. Later, Day attended U.C. Berkeley's Boalt School of Law balancing his studies with a whimsical campaign for a seat in the California legislature, which he lost handily.

After gradation in 1968, the 32-year-old lawyer moved to the fast growing city of Rohnert Park in Sonoma County. The next year, Day moved to Santa Rosa and won election to the Sonoma County Board of Education. In 1970 he lost election to the Sonoma County Board of Supervisors. In 1979, Day was selected by Governor Jerry Brown to fill a vacancy on the Sonoma County Municipal Court, a position he lost in a mid-year election a year later.

Dick Day's destiny was not to be an officeholder, but to be a man who seized on important issues from the grassroots. Day joined with Bill Kortum, Chuck Rhinehart and others to fight against an attempt by private developers to block 13 miles of spectacular coast from coastal access. As the attorney for Californians Organized to Acquire Access to State Tidelands (COAAST), Day was able to convince the state Supreme Court to overturn a county supervisor decision favorable to developers; and later become instrumental in the passage of a statewide measure that guaranteed public access to beaches in the state and formed a new agency, the California Coastal Commission which is chartered to protect California's coastline from overdevelopment.

In an ongoing fight against unrestrained growth, Day served on the board of Sonoma County Tomorrow; was a founder of a coalition of Santa Rosa neighborhood groups and became chair of the Committee to Oppose Warm Springs Dam. Later he helped form Concerned Citizens for Santa Rosa, which became an influential player in Santa Rosa politics and a training ground for several future leaders, including current California Assemblywoman Pat Wiggins. Day was also a founder of Sonoma County Environmental Action, an effective grassroots political organization that helped elect numerous environmental progressives to Sonoma County city and county government. Fighting against sprawl, Day pushed for city-centered transit as a founder of the Sonoma County Transportation Coalition and for downtown revitalization as a member of Heart of Santa Rosa.

Dick Day provided both legal advice and political savvy to all of these groups. Always outspoken, he learned he was most effective in a background role. When there was a press release, a letter to the editor, a legal challenge to be written, Dick Day was always ready to serve. He didn't always carry the day, but working with others, he won significant victories in protecting the Russian River against dredging, limiting campaign contributions in local elections, creating greenbelts around the county's cities, and defeating tax measures to widen highways without developing public transit. Representing the Sierra Club he won a settlement from the Santa Rosa City Council

in the early 90's, after charging that the Council acted improperly in providing tax incentives to the developers of a shopping center.

Dick Day had many opponents, but no real enemies. It was clear that he was coming from a place of integrity. He was a gregarious man, always armed with a quip. He loved to hold court in Mac's Delicatessen in downtown Santa Rosa, advise and josh his friends, and debate and trade barbs with folks of other political persuasions. Politics was play to Dick as much as it was serious business.

He was blessed with a long and loving relationship with his wife, Jean, who was a partner in all of his endeavors, and helped provide a home full of warmth, good conversation and books. Jean died last year, and Dick carried on bravely though his heart was broken.

We will miss Dick Day. His activism showed us that dedicated, informed citizens can make democracy work. And clearly, for all who knew him, Dick Day has been elected to our hearts for life.

BREAKING THE CONTRACT

HON. STEVE ISRAEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 2002

Mr. ISRAEL Mr. Speaker, here is an article that I would like to submit for the RECORD.

[From the New York Times, Mar. 5, 2002]

BREAKING THE CONTRACT

(By Paul Krugman)

If converting Social Security to a system of private retirement accounts is such a good idea, why can't advocates of that conversion try, just once, to make their case without insisting that 1 + 1 = 4?

Last week George W. Bush did it again, contrasting Social Security benefits with what retiring workers would have if they had invested all that Social Security taxes in the stock market instead. As an article in The Times pointed out, this was a misleading scenario even on its own terms, financial planners strongly advise against investing solely in stocks, and diversified retirement account wouldn't have risen nearly as much in the 1990's bull market.

But there's something much more serious wrong with Mr. Bush's story. Indeed, the latest remarks perfectly illustrate how he uses bogus comparisons to make private accounts sound like a much better idea than they really are. For by emphasizing what today's 65-year-olds could have done if they hadn't paid Social Security taxes. Mr. Bush has forgotten something rather important. Without those taxes, who would have paid for their parents' benefits?

The point is that when touring its plan to privatize Social Security, the Bush administration conveniently fails to mention the system's existing obligations, the debt it owes to older Americans. As with so many other administration proposals, private accounts are being sold with deceptive advertising.

The truth—which Mr. Bush's economists understand perfectly well—is that Social Security has never been run like a simple pension fund. It's really a social contact: each generation pays taxes that support the previous generation's retirement, and expects to receive the same treatment from the next generation.

You may believe that Franklin Roosevelt should never have created this system in the first place. I disagree, but in any case Social Security exists, and older Americans have upheld their end of the bargain. In particular, baby boomers have spent their working years paying quite high payroll taxes, which were used mainly to support their elders, and only secondarily to help Social Security build up a financial reserve. And they expect to be supported in their turn.

Mr. Bush proposes to allow younger workers to place their payroll taxes in private accounts—in effect, to break this ongoing contract. But then what happens to older workers, who have already paid their dues?

There are only two possibilities. One is default: make room for the trillions diverted into private accounts by slashing the baby boomers' benefits. The other is to buy the baby boomers out—that is, to use money from other sources to replace the diverted funds.

Those really are the only alternatives. Last year the special commission on reform of Social Security, which was charged with producing a plan for private accounts, came to an ignominious end—it issued a deliberately confusing report, then slunk quietly out of town. But wade through its menu of options, and you'll find that in the end the commission grudgingly rediscovered the obvious: Private accounts won't ''save'' Social Security. On the contrary, they will create a financing crisis, requiring sharp benefit cuts, large infusions of money from unspecified outside sources, or both.

But nervous Republican members of Congress want to send all Social Security recipients a letter (at government expense, of course) assuring them that their benefits will never be cut. And now that the magic budget surplus has turned back into a pumpkin, the government is in no position to infuse new money into Social Security—on the contrary, the government at large is now borrowing from Social security at a furious pace.

So why is the Bush administration reviving its push for private accounts right now? Did it really learn nothing from the implosion of the reform commission? I doubt it; the administration's economists aren't fools, though loyalty often requires that they pretend otherwise.

A more likely interpretation is that this is entirely cynical. War frenzy is subsiding, the Bush domestic agenda is stalled, and early indications for the November election aren't as good as Karl Rove expected. So it's fantasy time: tantalize the public with visions of sugarplums, then blame Democrats for snatching the goodies away. And it doesn't matter that the numbers don't add up, because the plan will never be tested by reality.

SOCIAL SECURITY

HON. BARBARA LEE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 2002

Ms. LEE. Mr. Speaker, I rise today in strong support of preserving Social Security and protecting millions of seniors and individuals with disabilities from the dangers of privatization and from the problems of raiding the Social Security Trust Fund.

Today, there are approximately 45 million Americans who receive Social Security benefits in our nation. Over 4 million of these individuals reside in the state of California but Americans all over our nation depend on this benefit as a major source of retirement income.

Currently, Social Security provides guaranteed, lifelong benefits. No matter what the stock market does the day you retire or in the months leading up to your retirement, your benefits will be unaffected.

While the Bush Administration's budget proposes to raid the Social Security Trust Fund, they also believe in privatizing parts of Social Security.

Unfortunately, privatization plans and cuts to the Social Security budget will hit women the hardest. Poverty among American women over 65 is already twice as severe as among men over 65. Women are also more likely to earn less than men and are more likely to live longer. Women also lose an average of 14 years of earnings due to time out of the workforce (to raise children or to care for ailing parents or spouses) and since women generally have a higher incidence of part-time employment, they have less of an opportunity to save for retirement.

The current Social Security program recognizes this problem; however, most privatization proposals make no provision for these differences and would thus make poverty among women even worse.

Many women depend on Social Security income to survive. What will happen to these individuals when the Social Security Trust Fund is completely raided and substituted by a destructive privatization plan?

This Congress has an obligation to strengthen Social Security because working people have earned and deserve Social Security.

We must work to ensure that Social Security survives for our seniors today as well as for our future generations. We owe it to the American people who have paid into the system for so long. We must increase the flow of funds into Social Security, not divert funds from it.

The Bush Administration's budget specifically proposes to divert $1.5 trillion of the Social Security Trust Fund surplus to other programs over the next ten years, effectively raiding the Social Security Trust Fund.

While the budget provides a $48 billion increase in defense spending, it calls for a $15.8 billion decrease in domestic programs. Providing for our homeland security is critical, but it cannot come at the expense of our seniors.

President Bush's proposals on Social Security directly harm our seniors' entitlement to retirement benefits.

The Bush Administration must understand that privatization does not eliminate the challenges Social Security must confront, it exacerbates them and puts millions of people at risk. If the Bush Administration continues to spend the surplus unwisely and promote privatization, our seniors will be without a retirement program. President Bush, please don't raid the Social Security Trust Fund. Our seniors are depending on you.

HONORING ROY VANDER KALLEN 2001 RECIPIENT OF THE YMCA DISTINGUISHED SERVICE AWARD

HON. KEN CALVERT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 2002

Mr. CALVERT. Mr. Speaker, my congressional district in Riverside, California is extremely fortunate to have a dynamic and dedicated group of community leaders who willingly and unselfishly give of their time and talents to ensure the well-being of our cities and county. These individuals work tirelessly to develop voluntary community action to improve the community's economy, its education, its environment and its overall quality of life. One individual, who is a member of this group, is Roy Vander Kallen.

On the 9th of March, Mr. Vander Kallen will be honored with the Ira. D. ''Cal'' Calvert Distinguished Service Award by the Corona-Norco Family YMCA. The award is given in memory of my father, ''Cal'' Calvert, and his innumerable philanthropic gifts to the community and his efforts to encourage others to serve their community in a similar fashion. The award recognizes Roy for his exceptional devotion to developing community volunteerism.

A lieutenant in the Corona Police Department, Roy credits his upbringing and the mentors of his youth for providing an emphasis on community service for his own history of volunteerism. Losing his parents at the young age of twelve, it was through his involvement in sports programs that kept him active in school. His early love of football set the tone for the next 25 years. He was all-CIF in high school, Second Team All American in college and played fifteen years in semipro. He joined the Corona Police Department in 1978.

During regular patrols and through handling many family issues throughout his career, Roy noticed that our community includes numerous low income families. The children of these families found themselves without the financial support necessary to participate in many after school sports and organizations. Seeing a need, Roy, along with Bud Gordon, co-founded the ARC Angel Foundation to address this financial void.

Raising funds through an annual golf tournament, the program is administered by Corona police officers. Word of the foundation has spread throughout the city and it is now called upon to assist with Christmas gifts, food, clothing, funerals, after school programs and computer equipment.

Mr. Speaker, I take this opportunity to thank Roy Vander Kallen for his dedication, influence and involvement in our community. He has aided in developing and maintaining community volunteerism in the Corona-Norco area and the Inland Empire. I know that we will continue to benefit from his experience in the 43rd congressional district and deep commitment to the region. It is a great pleasure for me to congratulate Roy on his outstanding career and lifelong devotion to the community.

A TRIBUTE TO WHAT SHALL I RENDER MINISTRIES

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 2002

Mr. TOWNS. Mr. Speaker, I rise in honor of ''What Shall I Render Ministries'' and their Pastor, Lucille P. Farrell-Scott, in recognition of their first year of ministering to the Brooklyn community.

''What Shall I render Ministries'' was founded on March 1, 2001 with seven members and a mission to nurture families and restore them to wholeness. After only a year, they are fifty-three active members strong and have helped welfare mothers obtain employment by working with those in need on a case-by-case basis. In one instance, the church paid for a nurse's assistants' course and supplied the forms for a mother to become a Nurse's Assistant.

In addition, ''What Shall I Render Ministries'' established education as a top priority. To demonstrate their commitment, they established a scholarship fund which has already assisted four students with a total of $9,600 in tuition assistance. They have also worked with other community organizations to hold monthly events. In March of 2001, they celebrated Women's History Month by holding a health and wellness seminar for the community. Over one hundred families received free blood pressure screening and literature on breast cancer, lupus, and high blood pressure. Last May, they joined with Alpha Kappa Sorority Sigma Psa Omega Chapter and contributed 60 shoeboxes filled with school supplies that were sent to the school children in Africa. They celebrated Father's Day in June with a celebration honoring black fathers in our community. In August, school day was celebrated by presenting eight high school students with a $300 stipend to assist parents with their student's clothing. On September 11, 2001, ''What Shall I Render Ministries'' opened their hearts and hands with the assistance of Kinko's, on Queens Boulevard, and distributed over 2,000 prayer cards. In October, ''What Shall I Render . . .'' once again reached out to those in need by contributing $500 to the Annual Lupus walk which was sponsored by the Philadelphia Church of Universal Brotherhood in Brooklyn. In November, they went into the community with $300 gift certificates for needy families so that they would be able to have Thanksgiving dinner. During the Christmas holidays, the church sponsored a new clothing and toy drive to help five families in need. In February of this year, they sponsored three events all designed to help the community: a home buying seminar, a stewardship seminar, and a parenting skills workshop.

Mr. Speaker, in one year ''What Shall I Render Ministries'' and Pastor Lucille P. Farrell-Scott have built an organization of vast accomplishments and commitment to the community. As such, they are more than worthy of receiving this recognition and I urge my colleagues to join me in honoring this truly remarkable addition to the Brooklyn community.

TRIBUTE TO THE FINLANDIA UNIVERSITY LIONS FOR THEIR NSCAA BASKETBALL CHAMPIONSHIP

HON. BART STUPAK

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 2002

Mr. STUPAK. Mr. Speaker, I'd like to say a few words about a great accomplishment by a small university in my congressional district—one of the nation's newest universities, as a matter of fact.

Finlandia University in Hancock, Michigan, up on the beautiful Keweenaw Peninsula, is less than a year old. That age is deceiving, however. Finlandia is actually a new name for Soumi College, a school founded by Finnish immigrants in 1896 to ensure their children would have a better life through advanced education.

One of the qualities of Finnish culture is a respect for the quality of ''sisu,'' translated variously as persistence, determination, drive, or stamina. The Finlandia Lions, the university's basketball team, recently demonstrated the characteristic of sisu by capturing the National Small College Athletic Association national championship in basketball.

The team entered the tourney with a 14–14 record and came up in the first round against St. Mary's College of Ave Maria University, an Orchard Lake, Mich., school. After defeating St. Mary's by a score of 76–50, Finlandia University next faced the tournament's No. I seed, Northwest Christian College from Eugene, Ore. In a comeback victory, 69–66, Finlandia won the right to meet Southern Virginia College of Buena Vista, Va., which it defeated 98–84 to take the title.

The Finlandia Lions basketball team was led by second-year coach Art Van Damme and assistant coach Duane Snell. Nine Michigan students and one student from Finland make up the roster of the National Small College Athletic Association championship team. Team members are Nick Forgette and Jacob Polfus of Carney; Jeffrey Stiefel of Capac, Jeremy Suardina of Gwinn; John Abramson, Painesdale; Mark Nolan, Watton, Jon Paul Katona, Negaunee, Pete Flaska, Ishpeming, Bill Loeks, Iron Mountain; Marcus Ylalnen of Helsinki, Finland, and Michael O'Donnell, Negaunee, the tournament MVP.

Mr. Speaker, Finlandia University is the only private university in Michigan's Upper Peninsula and one of only 28 colleges and universities in the U.S. affiliated with the Evangelical Lutheran Church in America. In its vision statement, Finlandia University says it is ''committed to offering liberal arts based, globally connected, international, ecologically sensitive, spiritually engaged and career focused baccalaureate and associate degree programs as well as community education opportunities.''

Clearly, Mr. Speaker, Finlandia is also offering its students an opportunity to cheer for one heck of a basketball team. I ask you and my House colleagues to join me in offering the warmest congratulations to Coach Van Damme and the Finlandia Lions for their success in capturing the NSCAA basketball crown.

TRIBUTE TO MRS. SUSAN LaCOMBE

HON. ADAM B. SCHIFF

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 2002

Mr. SCHIFF. Mr. Speaker, I rise today to honor an outstanding citizen of California's 27th Congressional District, Mrs. Susan LaCombe. Mrs. LaCombe has served on the South Pasadena Unified School District Board of Education for nearly seventeen years and has been a positive force in my Congressional District for much longer.

Mrs. LaCombe began her journey with the South Pasadena Unified School District Board of Education in May of 1985, fresh from volunteer stints as PTA President at Arroyo Vista Elementary School and PTA Council President. When she was elected to the board, her five children were all attending South Pasadena public schools, one of whom now teaches at Eagle Rock Elementary School in Eagle Rock, California.

The consummate board member, Mrs. LaCombe has worked with fourteen board members and four superintendents during her tenure, serving as board President three times. Under her leadership, some of the board's finest accomplishments include the transition of the junior high to a middle school program eleven years ago, the formation and bonding of today's administrative team under Superintendent Adelson, and the passage of the bond measure, Measure L, in 1995.

Mrs. LaCombe is most proud of her efforts to build an excellent administrative and teaching team, establishing exceptional training programs for the teachers, and maintaining the commitment to excellence in academic programs, ''so that families continue to seek out South Pasadena as a wonderful place to live and send their children to the public schools.''

The South Pasadena community she served for so long will truly miss her. At this time, I ask all Members to join me in extending congratulations to Mrs. LaCombe for her dedicated service to the South Pasadena community. I am sure that each person positively affected by Mrs. LaCombe's service will also join me in wishing her much joy in the years to come and thank her for her time, her energy, and her efforts.

TRIBUTE TO SPARKMAN HIGH SCHOOL OF HARVEST, ALABAMA

HON. ROBERT E. (BUD) CRAMER, JR.

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 2002

Mr. CRAMER. Mr. Speaker, I rise today to honor Sparkman High School from Harvest, Alabama for winning the statewide ''We the People . . . The Citizen and the Constitution'' competition. On May 4–6, 2002, they will join more than 1,200 students from across the United States in Washington, D.C. to compete in the national finals. The ''We the People . . .'' program is the most extensive educational program in the country developed specifically to educate young people about the Constitution and the Bill of Rights.

These young scholars from Sparkman High School have worked diligently to reach the national finals and, through their experience, have gained a deep knowledge and understanding of the fundamental principles and values of our constitution. I want to congratulate these students on this outstanding achievement.

The ''We the People . . . program, administered by the Center for Civic Education, provides students with a working knowledge of our Constitution, Bill of Rights, and the principles of democratic government. The three-day national competition is modeled after hearings in the United States Congress. The hearings will consist of oral presentations by high school students before a panel of constitutional scholars. The students' testimony is followed by a period of questioning by the judges to explore their depth of understanding and ability to apply their constitutional knowledge.

It is inspiring to see these young people advocate the fundamental ideals and principles of our government in the aftermath of the tragedy on September 11th. These are ideas that identify us as a people and bind us together as a nation. It is important for our next generation to understand these values and principles that we hold as standards in our endeavor to preserve and realize the promise of our constitutional democracy.

The class from Sparkman High School is currently conducting research and preparing for their upcoming participation in the national competition in Washington, D.C. I wish these young ''constitutional experts'' the best of luck at the We the People . . . national finals. They represent the future leaders of our nation.

END DOMESTIC VIOLENCE WEEK

HON. DIANE E. WATSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 2002

Ms. WATSON of California. Mr. Speaker, I'd like to commend Lifetime Television for all their efforts in putting together End Domestic Violence Week, and I thank you for inviting my colleagues in the Women Caucus to participate and lend our voices and support to this important cause. As we celebrate Women's History Month and commemorate International Women's Day tomorrow, March 8, we must applaud the progress women have made globally as we address the problems that continue to impede this progress.

The issue of domestic violence is a great concern. In the 32nd Congressional District of California, I have worked diligently with the Jenesse Center, the oldest sustaining domestic violence intervention program in South Central Los Angeles. I recently commended the Center, on the occasion of their 21 years of dedicated service to women and children.

While in the State Senate, one of my first pieces of legislation addressed domestic violence. I authored the first domestic violence training legislation, which required law enforcement officers to maintain a written report when responding to domestic violence calls. My concern was to make law enforcement sensitive to the cultural, social, economic and personal issues that complicate domestic violence cases. Today, California has implemented laws that remove the abuser from the home and to provide assistance to the victim. But Mr. Speaker, domestic violence is more than a criminal offense, it is an attack on our families and our communities.

Without question the violence in our homes has contributed to the violence on our streets. It is contributing to health care costs that are escalating, and it is tearing apart our communities.

Mr. Speaker, I encourage you to work with the House and the Senate to continue funding programs that ensure the protection of women and children, provide adequate health care for domestic violence victims and to ensure that local law enforcement has the monetary resources to tackle this problem.

Let us rededicate ourselves to continuing the fight against domestic violence.

CONGRATULATIONS TO BECKY MOWRER ON BEING NAMED OUTSTANDING COMMUNITY CITIZEN BY THE SHAVERS CREEK GRANGE

HON. BILL SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 2002

Mr. SHUSTER. Mr. Speaker, I rise today to congratulate Becky Mowrer of Petersburg, Pennsylvania, on being named Outstanding Community Citizen by the Shavers Creek Grange. Becky was crowned as Huntingdon County's Dairy Princess last June. She was then named Pennsylvania State Dairy Princess in September. Becky has the honor of being the first Huntingdon County princess to also be named Pennsylvania State Dairy Princess.

Becky was chosen for the Outstanding Community Citizen award based on her leadership, her integrity, and her community involvement. The Shavers Creek Grange has been giving the Outstanding Community Citizen award annually for many years. The award is often given out to older recipients, but the grange members felt Becky was so deserving that they gave her the award, making her one of the youngest recipients. I commend Becky for being an active citizen in her community, and I wish her continued success in the future.

INTRODUCTION OF DUTY SUSPENSION LEGISLATION

HON. MICHAEL N. CASTLE

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 2002

Mr. CASTLE. Mr. Speaker, I rise today to introduce several duty suspension bills for materials used in the production of environmentally sensitive herbicides and insecticides that improve the quality of our lives.

These duty suspension bills lower the cost of producing these products thereby lowering the cost to consumers and helping U.S. industries compete in the global marketplace. When American companies make the active ingredients for these chemicals, there is a proper role for duties to exist. However, when the active ingredients are only made by foreign companies, we needlessly increase product costs for

American consumers by imposing duties on their importation. By introducing these bills, I am triggering a careful review of these proposals by the House Ways and Means Committee and the International Trade Commission to make sure there are no domestic producers of these active ingredients so no U.S. jobs will be negatively affected. In fact, these duty suspensions will make U.S. products more competitive, thus creating jobs in the U.S.

Mr. Speaker, let me take this opportunity to highlight the beneficial uses of the final products these chemicals will produce. Triflusulfuron Methyl formulated product is used in the production of a postemergence herbicide for sugar beets. Postemergence herbicides have the advantage of low application rates. The herbicide is only needed if weeds emerge around the sugar beets. Many other herbicides must be applied ahead of time to prevent weeds from developing regardless of whether they would have emerged naturally, needlessly introducing toxins into the environment. Benzyl Carbazate is a general fruit and vegetable insecticide. It has the unique ability to kill certain pests while leaving beneficial insects unharmed. Furthermore, Benzyl Carbazate is well within the margins of safety to mammalian, avian, and aquatic organisms. Esfenvalerate Technical is used in the production of pyrethroid insecticide. This environmentally sound product has significant use in Integrated Pest Management (IPM) programs offering broad-spectrum insect control across a wide range of crops. Finally, the single active ingredient, (S)-methyl 7-chloro-2, 5-dihydro-2-[[(methoxycarbonyl) [4(trifluoromethoxy)phenyl] amino]—carbonyl] indeno [1,2-e] [1,3,4] oxadiazine-4a-(3H)carboxylate and application adjuvants, produces a proprietary insecticide for use on cotton, vegetables and fruit. The formulated products demonstrate good efficacy on target insect pests while preserving beneficial insects and mites, and offer a very favorable environmental profile.

Duty suspension bills often pass with universal bipartisan support because they are common sense for consumers, for the environment, and for enhancing the competitiveness of our domestic industries. I urge support for these proposals after the appropriate committees and agencies have thoroughly vetted these measures.

INTERNET FREEDOM AND BROADBAND DEPLOYMENT ACT OF 2001

SPEECH OF

HON. SPENCER BACHUS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 2002

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 1542) to deregulate the Internet and high speed data services, and for other purposes:

Mr. BACHUS. Mr. Chairman, I am in full support of H.R. 1542 including the Manager's Amendment, which includes an antitrust savings clause. That clause reaffirms that regulatory and antitrust laws play important but different roles in promoting competition in the telecom industry. The Telecommunications Act of 1996 governs the transition of local telecommunications from a heavily regulated environment historically dominated by incumbent carriers to a competitive environment in which new entrants and incumbents compete vigorously with each other. The 1996 Act imposes on carriers special duties that do not exist under the antitrust laws and compels them to take actions firms in an unregulated environment would not undertake. Antitrust laws serve a different function. They protect competition by preventing firms from entering into agreements that prevent or restrain competition. They also prevent firms from unlawfully obtaining monopoly power or unlawfully extending existing monopolies into new lines of business. There should be no confusion about the differences in these laws or the roles they play in bringing the benefits of competition to American consumers.

These laws are compatible and complementary for two reasons. First, they promote the same goal: vigorous competition in the marketplace. Second, to the extent that any potential inconsistencies may arise in the administration of these laws, antitrust courts resolve them through well-established antitrust doctrines recognizing that general antitrust laws will not be enforced in a manner that undermines the requirements of regulatory laws crafted to deal with specific industry situations. This savings clause does not repeal any portion of the antitrust laws or antitrust doctrines adopted by the courts under those laws.

Neither this Act nor the 1996 Act change the manner in which the antitrust laws are enforced by antitrust enforcement agencies and courts. Rights, duties and remedies under the antitrust laws are preserved and not diminished in any way. Also preserved are the traditional antitrust defenses, exemptions, and immunities crafted by the courts to balance antitrust and regulatory objectives for more than 100 years.

This savings clause does not overrule any portion of the Seventh Circuit decision in the Goldwasser case. This savings clause is fully consistent with the learned opinion in that case.

By not modifying antitrust laws, rights, remedies, defenses, exemptions, immunities, and procedures, we make it plain that antitrust courts should continue to do what they have always done—manage potential conflicts between the administration of antitrust and regulatory laws on a case-by-case basis with due regard for the intent of Congress in establishing specific regulatory processes. This savings clause achieves that effect.

IN HONOR OF ROBERT ''BOB'' HODGES

HON. WALTER B. JONES

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 2002

Mr. JONES of North Carolina. Mr. Speaker, today I speak in honor of an incredible man: A man who is believed to be our Nation's oldest veteran, a man who in 1918 joined the military so that he could serve our country during WWI, a man who worked from the time he was 8 years old, a man who has served his community well, and a man, who, above all else, has loved the Lord his God with all his heart, mind and soul. That man is Mr. Robert Hodges, of Stonewall, North Carolina. I am proud, honored and, quite frankly, privileged to speak in his honor today on the House floor.

Mr. Hodges has led a remarkable life. Considering he has seen the turn of two centuries, recounting all of his milestones would take hours. Instead, I will attempt to highlight just a few of the high points in Mr. Hodges life.

Mr. Hodges was born on June 18, 1891, in a small community called North Creek, just between Bath and Belhaven, North Carolina. His grandparents were slaves, and his mother, born into slavery, was later freed in New Bern, NC. At the age of 8, Mr. Hodges began working, just as his parents had done.

In 1918, Mr. Hodges joined the United States Army where he proudly wore the uniform of heroes as he served in France with the 702 Stevedore Battalion. A lifelong Eastern North Carolinian, Mr. Hodges returned to Beaufort County after his discharge where he married Malinda Boyd.

After moving to Pamlico County, Mr. Hodges worked his way from bookkeeper, to farm foreman, to landowner of a farm of his very own. He continued to work the land until his eyesight forced him to retire in the 1950's. His retirement, however, did not keep him from participating in his community. Mr. Hodges has remained a vital part of his hometown in Stonewall, North Carolina and his church home of Mt. Sinai Missionary Baptist Church. Church has been a part of Mr. Hodges' life since he was a young child. Growing up, young Robert used to walk 12 miles to church and back . . . barefoot.

Some of you may ask, ''What is the secret to Mr. Hodges long and healthy life?'' Well, my friends, I must tell you I believe it is the scripture verse he has clung to for so many years. Mr. Hodges says he gives God the glory for his long life, claiming the 5th commandment as his own. The verse reads, ''Honor thy father and mother; that thy days may be long upon the land which the Lord thy God giveth thee.'' Mr. Hodges' life has certainly been very ''long upon the land.'' His very history, quite frankly, illustrates what it means to live a life pleasing to the Lord, and to in turn see His blessings.

In closing, Mr. Speaker, let me say that Mr. Hodges joins so many of the men and women who served our Nation during wartime and asked so little in return. And today, those people who know him best are here to honor him, not only for his service to our great Nation but for the incredible impressions he has made on the lives of so many people as husband, father, grandfather, and a citizen of North Carolina.

It is because of the dedication and heroic courage of men like Robert Hodges that we can enjoy the many freedoms of this great land. On behalf of a grateful Nation, please accept my deepest appreciation.

DESIGNATION OF GEORGE ROGERS CLARK NORTHWEST CAMPAIGN TRAIL FOR STUDY FOR POTENTIAL ADDITION TO THE NATIONAL TRAILS SYSTEM

SPEECH OF

HON. BARON P. HILL

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 6, 2002

Mr. HILL. Mr. Speaker, I rise to support H.R. 1963 and note that a George Rogers Clark Northwest Campaign Trail would not be complete without the inclusion of Clarksville, Indiana and the surrounding Falls of the Ohio area.

George Rogers Clark and his troops arrived at the Falls of the Ohio in late May of 1778, where they took possession of Corn Island. It was here that Clark trained his troops and first told them of a secret plan to attack British forts in the Illinois country. On June 24, 1778, Clark and his troops left the Falls to begin the Illinois campaign to take Kaskaskia, Cahokia and Vincennes.

Indiana takes great pride in General George Rogers Clark. State law directs the Governor to proclaim each February 25 as ''George Rogers Clark Day'' to mark the anniversary of the surrender of Fort Sackville at Vincennes. Not only did this great victory occur on what would later become part of Indiana, but General Clark and his men were granted 150,000 acres of land for their service by the state of Virginia in what is now Clark and Floyd counties, Indiana. One thousand acres overlooking the Falls of the Ohio River became Clarksville, Indiana. General Clark lived in Clarksville from 1803 to 1809.

Just recently, through a grant from the Ogle Foundation and individual contributions from community members, a representation cabin was placed on the site where Clark's original cabin overlooked the Falls of the Ohio. The significance of this site goes beyond General Clark. In 1803, Meriwether Lewis met General Clark's younger brother, William at the cabin to plan the Lewis and Clark Expedition.

I applaud Mr. Costello of Illinois for bringing forward this legislation because George Rogers Clark is a largely forgotten hero of the American revolution. He has been overshadowed by the success of his younger brother, William. Yet, through the sheer force of his personality, General Clark motivated his men to endure great hardship and do the impossible. His vision and leadership is credited by historians with assuring America's control of what later became the Northwest Territory.

I look forward to the establishment of the George Rogers Clark Northwest Campaign Trail and invite every American to visit the Falls of the Ohio to learn more about this important chapter of our nation's history.

HIGHLIGHTING IMPORTANCE OF INTERNATIONAL WOMEN'S DAY

HON. CAROLYN C. KILPATRICK

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 2002

Ms. KILPATRICK. Mr. Speaker, I rise today to support and highlight the importance of International Women's Day on March 8. International Women's Day honors the history and important work of women around the world in their fight toward equality, justice, and peace. While this day symbolizes the advancement and great strides that have been made, this day also symbolizes the work that still needs to be done to break down the barriers and injustices women continue to face day after day.

In our nation and around the world, women continue to be victims of violence. Domestic violence, sexual assault, and rape are just a few forms of the injustices perpetrated against women. The statistics are startling. In our nation, at least I out of 6 women and girls has been beaten or sexually abused in her lifetime. Worldwide, the percentage increases dramatically to I out of every 3 women. These numbers speak to the continued and gross victimization that women face.

Here at home and around the world, we need to continue our efforts to ensure that women are provided with the safeguards, services, and tools they need, namely an education, to break the cycle of violence. Education empowers individuals and would give women the opportunity to be independent and self-reliant. No woman anywhere should have to continue to be a victim of violence and discrimination. International Women's Day represents this important goal.

IN HONOR OF VINCENT ''JIMMY'' SUOZZI

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 2002

Mr. ACKERMAN. Mr. Speaker, I rise today to congratulate Vincent ''Jimmy'' Suozzi, who will be honored by the Glen Cove Council of PTA at a dinner on Sunday, March 10, 2002.

Jimmy Suozzi, former Mayor and current Controller of the City of Glen Cove, NY, was bom in New York City and raised in the City of Glen Cove where he has lived ever since. Drafted into the army immediately after high school, Jimmy served our nation two years before attending St. John's University under the GI Bill. In 1950, Jimmy graduated with a BBA in Accounting and soon after began his brilliant career as a community leader in Glen Cove.

Jimmy's career in local politics began in the 1950s with his appointment to the Glen Cove Planning Board and he moved onto serve as the Deputy County Treasurer in the late 1960's. On January 1, 1973, Vincent ''Jimmy'' Suozzi was appointed Mayor of the City of Glen Cove, and was then elected by the citizens of his city four times between 1975 and 1984. Among his many accomplishments during his 11 years as Glen Cove's chief executive, Jimmy Suozzi centralized control of the various city departments, established celebration of Martin Luther King Day, and had Sturno, Italy declared the sister city of Glen Cove.

Jimmy has always been an active, outstanding and dedicated member of the Glen Cove Community. He recalls being one of the first altar boys at St. Rocco's Church, where today he is the chairman of the St. Rocco's Annual Feast. As a young man, Jimmy worked hard with the Glen Cove Community Chest to raise money for the Community House in the Orchard, an afterschool center servicing all the children in the neighborhood. As a father, Jimmy was active in the Coles School PTA and Glen Cove High School PTSA. Today, in addition to being a member of the Sons of Italy. Knights of Columbus, VFW and American Legion, Jimmy is a devoted father, grandfather and husband. Married to Theresa M. Cioffs since 1950, they have raised seven children, all who graduated from Glen Cove High School.

Mr. Speaker, it is with great pride that I honor such an exceptional individual. I ask all my colleagues in the House of Representatives to join me now in commending Vincent ''Jimmy'' Suozzi for his life-long dedication to the Glen Cove Community.

HONORING MEXICAN PAINTER RAUL ANGUIANO

HON. HILDA L. SOLIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 2002

Ms. SOLIS. Mr. Speaker, I rise today to mark the 87th birthday of Maestro Raul Anguiano, a prolific Mexican painter and muralist whose career has spanned 68 years.

Born in 1915 in Guadalajara, Mexico, Mr. Anguiano began studying painting at an early age. In 1934, he moved to Mexico City to begin his artistic career as a muralist and instructor. He quickly became part of the second generation of 20th century Mexican muralists known as the Mexican School of Painting, which attempted to make art accessible to the people and depict their reality.

Mr. Anguiano's murals portray the true heart of Mexico by depicting the indigenous people as well as the workers of the country. His murals can be found throughout North and South America and Europe, and one entitled ''Crucifixion'' was recently acquired by the Vatican. He has participated in both individual and public exhibitions internationally, including in Mexico, the United States, Chile, Germany, Russia, France and Cuba.

His talent led Mr. Anguiano to become not only a celebrated painter and muralist but also a literary illustrator and teacher. He has illustrated several books and taught at renowned art schools throughout Mexico, as well as in France and the United States.

In 1952, Mr. Anguiano completed one of his most famous paintings called ''La Espina'' or ''The Thorn'', which was influenced by his travels throughout the Mayan regions of Mexico. The painting portrays a woman with Indian features who is working intently to remove a thorn from her foot. Although the scene depicted is not extraordinary in and of itself, Mr. Anguiano's stunning depiction reveals the importance of everyday activities.

This acclaimed muralist's most recent work is a mural for East Los Angeles College, a community college which serves the students of my district. This mural has brought international attention to the school and the community it serves, and I am grateful for his kind contribution.

I urge my colleagues to join me in recognizing this incredible Mexican artist.

THE JUDICIAL IMPROVEMENTS ACT OF 2002

HON. HOWARD COBLE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 2002

Mr. COBLE. Mr. Speaker, I rise to introduce the ''Judicial Improvements Act of 2002.'' This legislation constitutes a noncontroversial fine-tuning of an existing statute, the ''Judicial Conduct and Disability Act of 1980'' (the 1980 Act), which permits individuals to file complaints against federal judges for inappropriate behavior.

Mr. Speaker, the Subcommittee on Courts, the Internet, and Intellectual Property conducted an oversight hearing on the operations of federal judicial misconduct statutes on November 29, 2001. The witnesses at the hearing were united in their general praise for the Third Branch. Their respect for the federal judiciary is also shared by the members of the Subcommittee. Still, no federal entity is immune from periodic evaluation.

Consistent with our obligations to conduct oversight, the Ranking Member of the Subcommittee, Representative HOWARD BERMAN, and I are introducing this bill that will reorganize the 1980 Act by re-codifying it as a new chapter of title 28 of the U.S. Code. The legislation will also clarify the responsibilities of a circuit chief judge in making initial evaluations of a complaint. In addition, section 3 of the bill resolves an existing conflict governing recused judges and whether their votes should count in determining a majority by a circuit to sit en banc.

The changes set forth in the ''Judicial Improvements Act of 2002'' are largely based on procedures that the judges themselves have developed through the years. The construct for the bill, based as it is on self-regulation, indicates that Congress and the American people retain great confidence in the ability of federal judges to identify and correct misconduct among their own colleagues.

Finally, Mr. Speaker, I would be remiss if I failed to highlight the contributions of three individuals who helped to draft this bill. They are Professor Arthur Hellman of the Pittsburgh School of Law; Mike Remington, former Chief Counsel of our Subcommittee; and Sandy Strokoff of the Office of Legislative Counsel. The Subcommittee appreciates the energy, time, and talent that they invested in this project.

In closing, I urge my colleagues to support the ''Judicial Improvements Act of 2002,'' and I thank the Speaker.

HONORING THE 70TH ANNIVERSARY OF LOCAL 318 INTERNATIONAL UNION OF OPERATING ENGINEERS

HON. JERRY F. COSTELLO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 2002

Mr. COSTELLO. Mr. Speaker, I rise today to ask my colleagues to join me in recognizing the 70th Anniversary of Local 318, International Union of Operating Engineers in Marion, Illinois.

Local 318 has 1125 members, which represents most of southernmost Illinois. Ron Herring, who is currently the Business Manager for 318, oversees the operations of the union. For Ron, being an operating engineer is more than just a job; it is a way of life. Ron's father, who is now retired, has been a member of the union for 53 years.

Back in 1932, during the Great Depression, a construction company came to Saline County, Illinois to do drainage work on the Saline River. They hired local people, some of them out of work coal miners. Working conditions were bad. Two workers on the job, brothers Ted and Prentiss Carathurs of Indiana, encouraged local men hired for the job to apply for an Operating Engineers Charter. It took seven names to apply, and since there were only 5 local men, the five split the fee in order to include the Carathurs brothers name to make the seven names needed for the application.

Soon, others joined in and on June 1, 1932, Laborer's International Representative William ''Whitey'' Stuhr came to Harrisburg, Illinois and presented the Union's charter. Local 318 was born.

Local 318's first Business Manager was Arley Sheldon, the founder. He was the Local's Business Manager from June 1, 1932 to October 12, 1948. After Arley's term, 318 has had six Business Managers; Stanley Medley 1948–1965; Wardell Riggs 1965–1980; L. Dale Choate 1980–1987; Lester D. Allen 1987–1989; Bradley 0. Williams 1990–1993; Anthony Ron Herring 1993-present.

Over the years, 318 has seen plenty of changes especially in equipment. From the days of mules pulling scrapers to the use of modern computerized systems in dozers, cranes and trucks. They have come from the days of Bloody Williamson County when the UMWA was battling for workers' rights from 1949 through 1959 when this country was almost 85% union. 318 met in local kitchens, halls and rooms throughout southern Illinois. They participate in hundreds of projects across the southern portion of the state. Local 318's service area has been 100% union and continues to be under 318's leadership.

From the first project in the 30's on the Saline River, flood aid assistance in Harrisburg in 1937, construction of the Illinois Ordnance plant, the ''Big Inch'' pipeline project, the Joppa Power Plant, construction of Interstates 57, 24, and 64, the Dog Island Dam project and cleanup work at Crab Orchard, Local 318 has continued to provide quality work.

Founded in 1896, the International Union of Operating Engineers today has 400,000 members nationwide in some 170 local unions. It is the 12th largest union in the AFL–CIO. Further, nearly 100 apprenticeships and training programs ensure that union members are highly trained and highly skilled. The union offers employment and training opportunities to all.

Local 318, like other Building Trades, are involved in many community activities and educational programs for children. 318 has a program that begins introducing students, even at the grade school level, to the trade in hopes that they develop another dedicated operator prepared to assist southern Illinois. It was the first labor union in Illinois to take this step.

Mr. Speaker, I ask my colleagues to join me in honoring the 70th Anniversary of Local 318 of the International Union of Operating Engineers and wish their members and their families the very best for the future.

CONGRATULATING AMANDA NETZEL

HON. JOSEPH M. HOEFFEL

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 2002

Mr. HOEFFEL. Mr. Speaker, I rise today to congratulate Amanda Wetzel, who was recently named a George Mitchell Scholarship recipient for 2002–2003. Amanda was 1 of only 12 scholars nationwide selected for this prestigious award. The scholarship will include a year of postgraduate study in Northern Ireland.

The George Mitchell Scholarship is awarded to American students who have demonstrated the highest standards of academic excellence, leadership, and community service. Since its inception in 1998, the Mitchell scholarship is recognized among the most prestigious fellowships for international study. The program is named in honor of former Senator George J. Mitchell and is administered by the United States-Ireland Alliance, a nonprofit organization based in Washington, DC.

In May, Amanda will receive her bachelor's degree in International Politics from Penn State University. While attending Penn State, Amanda has served as director of the Innovation and Quality Team Program at the Schreyer Institute for Innovative Learning. She directed groups who provided feedback and policy based recommendations to improve meaningful teaming in Penn State classes. She also interned at the U.S. Consulate in Belfast and as intern in the European Affairs Bureau at the State Department.

Amanda is a hard-working, dedicated student and American. I am pleased to have this opportunity to recognize Amanda Wetzel for her commitment and achievement.

PERSONAL EXPLANATION

HON. LUCILLE ROYBAL-ALLARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 2002

Ms. ROYBAL-ALLARD. Mr. Speaker, due to the California State primary on March 5, 2002, I was in my congressional district and unable to be present for rollcall votes 47–50. Had I been present I would have voted ''yea'' on rollcall votes 47, 48, and 50; and ''nay'' on rollcall vote 49.

RECOGNIZING CIVIL AIR PATROL FOR 60 YEARS OF SERVICE TO UNITED STATES

SPEECH OF

HON. BOB BARR

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 2002

Mr. BARR of Georgia. Mr. Speaker, I am pleased to rise in support of H. Con. Res. 311, recognizing the Civil Air Patrol for 60 years of service to the United States.

The Civil Air Patrol has been involved in airborne and ground-based search and rescue for over half a century. Founded on December 1, 1941, to counter the threat of enemy submarines operating off the east coast, the Civil Air Patrol has evolved into a highly trained emergency response team of volunteer members, responding to needs of emergency preparedness agencies throughout the nation.

With more than 53,000 members, CAP manages the world's largest fleet of light, single-engine aircraft—totaling 530—which fly more than 85 percent of inland search and rescue missions.

The Civil Air Patrol also aggressively and heroically performs its other two missions mandated by the Congress: Aerospace Education and Cadet Programs. In fulfilling these missions, the CAP serves as an important liaison between today's planners of our Nation's air strength and tomorrow's pilots and air navigators.

Not only does the CAP fulfill all these missions, it also provides disaster relief services, and assists in humanitarian services and counterdrug efforts; CAP also performs many other missions in direct support of the U.S. Air Force. Many CAP members serve as aerospace education instructors, ground team members, and observers during search and rescue missions. They also serve as radio operators, mission coordinators, public affairs officers, and cadet mentors. To prepare volunteers to serve their communities, CAP provides training in 20 different specialty tracks, including technical instruction in flight operations, emergency services, and communications. In addition, members can participate in management and executive leadership training that complements Air Force professional development.

The Civil Air Patrol is structured around the core values of Integrity, Volunteer Service, Excellence, and Respect. The core values reflected in all CAP members exemplify the highest standards of personal and professional conduct.

I am proud to represent a number of squadrons, which make up the Civil Air Patrol Wing of Georgia, including: the Georgia State Legislative and the Georgia Wing Headquarters Composite Squadron which flies out of Dobbins Air Reserve Base; the Bartow-Etowah Composite Squadron; the Rome Composite Squadron; the Cobb County Composite Squadron; the West Georgia Composite Squadron; and the Gwinnett County Composite Squadron. I am proud to recognize all of them for their efforts, and I commend them for their generosity and concern for others. They reflect the commitment to voluntary community service essential in solving our nation's most pressing problems. By reaching out to those in need, they set an outstanding example to all Americans; especially our young people.

EXPRESSING SUPPORT FOR DEMOCRATICALLY ELECTED GOVERNMENT OF COLOMBIA AND ITS EFFORTS TO COUNTER THREATS FROM U.S.-DESIGNATED FOREIGN TERRORIST ORGANIZATIONS

SPEECH OF

HON. TAMMY BALDWIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 6, 2002

Ms. BALDWIN. Mr. Speaker, I rise in opposition to H. Res. 358. We are all deeply troubled by the ongoing civil war in Colombia. Efforts to attain a peace agreement have not been successful so far, but the recent setbacks to the peace process do not change the fundamental nature of the conflict and should not result in a rush to radically revise U.S. policy.

This conflict did not arise from drug trafficking. It is a forty-year-old conflict stemming from fundamental economic, political and social tensions in Colombia. All parties have been implicated in drug trafficking. And all parties have been responsible for serious and repeated human rights abuses. The Revolutionary Armed Forces of Colombia (known by their Spanish acronym FARC), the United Self-Defense Forces of Colombia (AUC), and the National Liberation Army (ELN) have all contributed to the murder, kidnapping and extortion now endemic in Colombia. This Congress is clearly on record condemning these actions.

While Congress and the United States have condemned the revolutionaries, the paramilitaries and the Colombian government for human rights abuses, we have been very careful to avoid becoming entangled in the Colombian civil war. As a very large and geographically diverse country, military action in Colombia is quite difficult and could easily drag our nation into a quagmire like Vietnam. We have wisely recognized this risk and have limited military assistance to anti-narcotic activities.

In addition to limiting the use of U.S. military assistance to anti-drug efforts, Congress has taken numerous steps to try to break the links between the Colombian military and the paramilitary forces of the AUC. U.S. and Colombian non-governmental organizations have clearly and definitively documented significant and ongoing collaboration between the paramilitaries and the Colombian military. Paramilitary violence has increased even as the record of the Colombian military has improved. Most estimates indicated the paramilitaries commit more than 75% of the non-combatant killings.

The resolution under consideration by the House states that the ''Colombian Government has made progress in its efforts to combat and capture members of illegal paramilitary organizations and taken positive steps to break links between individual members of the security forces and such organizations.'' Well, saying it does not make it so. This simply isn't the reality. A report last month from Human Rights Watch (HRW), Amnesty International (AI) and the Washington Office on Latin America (WOLA) concluded exactly the opposite. Their report noted that President Pastrana has ''failed to take effective action to establish control over the security forces and break the persistent ties to paramilitary groups.'' The report further noted that high-ranking officers ''failed to take steps necessary to prevent killings by suspending security force members suspected of abuses, ensuring that their cases were handed over to civilian judicial authorities for investigation and prosecution, and pursuing and arresting paramilitary leaders.'' Despite our efforts, we have not seen any significant progress.

As part of the FY02 Foreign Operations Appropriations bill, signed by the President on January 10, 2002 (Public Law 107–115), the Secretary of State must certify that Colombia has met certain human rights conditions in order for aid to be released (Section 567). According to the HRW, AI and WOLA report, the conditions required for certification have not been met. I am very concerned that approval of this resolution by the House will be a signal to the Colombian Government and the U.S. Secretary of State that we believe these conditions have been met. I do not believe that they have been and certification should not take place at this time.

Rushing this resolution to the floor is unnecessary and a mistake. As my colleague from Massachusetts, Mr. Delahunt, has said, we need to have comprehensive hearings on Colombia. Using the war on terrorism to justify leaping into a forty-year-old civil war with little debate or consideration is the wrong thing to do. We must step back and evaluate our policy toward Colombia. The United States has become embroiled in civil wars in the past, and we've come to regret those actions. Let's not let that happen with Colombia.

TRIBUTE TO E. L. ''BERT'' POOSER

HON. JAMES E. CLYBURN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 2002

Mr. CLYBURN. Mr. Speaker, I rise today to pay tribute to E. L. ''Bert'' Pooser, of South Carolina, a renowned man and respected leader of hotel development and management throughout the southeastern United States.

Mr. Pooser grew up in Orangeburg, SC, during the 1940s where he learned the value and need of hard work at an early age. He invested in his first hotel at the age of 28. Since then, his hotel empire has expanded to 33 hotels throughout six southeastern States. Many in the industry consider him a hotel giant.

Currently, Mr. Pooser is president and CEO of Interstate Management and Investment Corporation (IMIC) hotels. Mr. Pooser's company includes 1,500 employees that handle all aspects of the business from sales and marketing, to a design and property management team. IMIC assets include Sheraton Hotels, Hampton Inns, Comfort Inns, and Quality Suites. Throughout IMIC's 20 years of existence, they have purchased or built nearly 40 hotels. This past year, Mr. Pooser's firm opened two more hotels in Myrtle Beach, SC.

Mr. Pooser has received numerous awards during his building career. The University of South Carolina's School of Hotel, Restaurant and Tourism Management has honored him as the Hospitality Leader of the Year. Today, at 63, Mr. Pooser has no plans for retirement anytime soon.

Mr. Speaker, I ask you and my colleagues to join me today in honoring Mr. E. L. ''Bert''

Pooser for his achievements and commitments to the hotel industry in the southeastern States. I sincerely thank Mr. Pooser for his outstanding contributions, and congratulate him on becoming a recipient of the 2002 South Carolina Hospitality Leader of the Year Award, and wish him well in all of his future endeavors.

RECOGNIZING THE AMERICAN CENTURY THEATER

HON. TOM DAVIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 2002

Mr. TOM DAVIS of Virginia. Mr. Speaker, I rise today to acknowledge the American Century Theater, which is located in northern Virginia. Since 1995, this Arlington-based theater has been overwhelmingly successful in bringing different genres of theater to the stage, and in turn has greatly enhanced the quality of life for northern Virginians.

When the American Century Theater realized the lack of visibility American playwrights have in the Washington DC area, it strove to encourage Americans to rediscover the extraordinary vision and wisdom of our past American playwrights. Regardless of the countless masterpieces created by our country's great writers, only a handful of classics could be found in local theaters. The American Century theater recognized the lack of family-orientated shows available, and subsequently set the theater's mission to become an experience for the whole family to enjoy.

The American Century Theater focuses on plays that are at least 25 years old, under produced, and contain a variety of form and content. The plays do not contain offensive language or graphic sexual behavior, and they frequently deal with current social issues—making them suitable for the entire family. The Theater has also shown itself to be nonpartisan and apolitical.

In addition to providing northern Virginia with extraordinary plays, the Theater also maintains a strong dedication to serving our community in many other ways. StageThought is a special educational program for high school students and other youth groups that provide study guides, pre- and post-show discussions, and drastically reduced group rates that enable these students to attend plays that might otherwise be outside their means.

Mr. Speaker, in closing, I would like to congratulate the American Century Theater for its continued efforts to preserve American Culture. The American Century Theater is a local treasure and should be recognized for its integrity and laudable mission. I hope all my colleagues will join me in applauding them for their hard work in bringing American heritage to the theater.

VIOLENCE AGAINST WOMEN

HON. JOE KNOLLENBERG

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 2002

Mr. KNOLLENBERG. Mr. Speaker, since the first celebration of International Women's Day on March 19, 1911, women have come to realize opportunities about which they then could only dream. And they have taken advantage of those opportunities, excelling in every field and task put before them. As the world has become more aware of the abilities and talents of women throughout the globe, we also have become more aware of the very real issue of violence against women and its devastating effects.

While our consciousness of violence against women has risen, the problem has not evaporated. There is still much work to do. Cases of violence against women continue to persist in our own nation and throughout the world. These vicious crimes often happen within the home and have devastating consequences for the victims personally, as well as for their families and for society as a whole.

We must continue to work together to empower women from an early age by teaching them that any form of abuse is unacceptable and encouraging them to speak out. We must also ensure that those who commit these heinous acts are appropriately punished for the crimes they commit.

I serve on the Appropriations Subcommittee on Foreign Operations where I am proud to support many foreign assistance programs that benefit women, including the microcredit program for the very poor. These program empower women by giving them the capacity to provide for themselves and become self-reliant. Economically empowering women not only reduces poverty, it also creates a sense of self-worth and importance with which women can address the many challenges they face.

Mr. Speaker, we must continue to build upon the achievements that have been made in reducing violence against women and I look forward to working with my colleagues to accomplish this goal.

PERSONAL EXPLANATION

HON. JEFF MILLER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 2002

Mr. JEFF MILLER of Florida. Mr. Speaker, I was unavoidably detained earlier today while attending a closed hearing for Schism v. the United States in the U.S. Court of Appeals, here in Washington, DC. Being a closed hearing, I was unable to leave when this afternoon's vote was called and further, had the understanding that the vote would not occur until a time certain. I respectfully request the RECORD to reflect that, had I been here, I would have voted ''yea'' on S.J. Res. 32.

GENERATING OPPORTUNITIES BY FORGIVING EDUCATIONAL DEBT FOR SERVICE (GOFEDS)

HON. DANNY K. DAVIS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 2002

Mr. DAVIS of Illinois. Mr. Speaker, listening to the inspiring thoughts of Darin Johnson, I can't help but reflect on the words uttered over 40 years ago by President John F. Kennedy: ''In the long history of the world, only a few generations have been granted the role of defending freedom in its hour of maximum danger. I do not shrink from this responsibility—I welcome it. I do not believe that any of us would exchange places with any other people or any other generation. The energy, the faith, the devotion which we bring to this endeavor will light our country, and all who serve it—and the glow from that fire can truly light the world.

And so, my fellow Americans: ask not what your country can do for you—ask what you can do for your country.''

There was perhaps no more eloquent a call to government service than this speech by President Kennedy. Even though our enemies may be different than they were in 1961, we are still charged with ''defending freedom in its hour of maximum danger.''

In the aftermath of 9–11, many Americans, like Darin Johnson, are looking for ways to serve and ''make a difference'' for their country. In fact, according to data collected by the Partnership for Public Service, in the three months after September 11th, the number of applications for federal jobs received by the U.S. Office of Personnel Management's service centers increased by 14 percent. We need to seize this opportunity to hire a diverse group of the best and brightest women and men this country has to offer. However, we can't do this using outdated recruitment methods and incentives that penalize those who choose Federal service.

That's why we are here today. With college tuition costs spiraling, many college graduates are left with huge loans to repay following graduation. Even those who are attracted to government employment, out of necessity, gravitate toward the higher salaries of the private sector in order to repay their personal debt.

Although we are standing here on Capitol Hill, this is not just an ''inside the Beltway issue.'' The reach of our Federal government is evident across our great nation. In Cook County, Illinois, for example, my home state, there are over 20,000 Federal employees. I am, therefore, pleased to be a cosponsor of Generating Opportunities by Forgiving Educational Debt for service (GOFEDS). Currently, when Federal agencies repay student loans for employees, these payments are taxable to the employees. However, many educational institutions have instituted similar loan repayment benefits to encourage graduates to go into government service or to work for nonprofit organizations—and these payments are not taxable. This bill will erase this disparity.

However, let us not see this bill as an ending, but rather, a beginning—one in a series of initiatives we need to take to ensure that our Federal government is a model employer—we own the American people no less.

SAINT PATRICK'S DAY 2002 DEMONSTRATES REAL PROGRESS IN NORTH OF IRELAND

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 2002

Mr. GILMAN. Mr. Speaker, yet another glorious Saint Patrick's Day will soon be upon us, and all of the good, warm Irish people here,

and all around the globe, will be celebrating the patron saint of the Emerald Isle on this the day when the wearing of the green means something special.

Today, in the long, difficult struggle for lasting peace and justice in the north of Ireland there is also much to celebrate. The assembly and local governing bodies are up and running. All of the people of Northern Ireland are making their own judgments on many of the contentious issues of the past, and deciding their own future through new and democratically accountable institutions as established under the Good Friday accord.

One of the most important and difficult issues for many in the nationalist community is a new beginning for policing, and in particular the issue of the new police service and the new policing board, as well as a new ombudsman along with the democratic accountability of these new institutions over the police service, once viewed by many as just a unionist dominated force.

Recently, the Irish News in Belfast published my opinion piece on the need for all those in the nationalist community to join and support the new police service and support the policing board in order that they help select a new chief constable, and further make these institutions even more democratically accountable. We must continue to struggle for protection of human rights and the redress of past injustices in the new north of Ireland as we make these changes and bring about long overdue reforms.

For your consideration, I ask that my Irish News piece, be reprinted below for the benefit of my colleagues, and all those who are concerned the progress in Northern Ireland which we are witnessing, to continue to move forward:

[From the Irish News Limited, Feb. 25, 2002]

WE MUST ALL JOIN THE SOLUTION FOR POLICING

(By Ben Gilman)

''It's time for the nationalist community to seize the moment on policing reform and fully participate in the new Northern Ireland Police institutions,'' says Congressman Ben Gilman.

The newly constituted Policing Board established under the Pattern reforms, which is now overseeing the Police Service of Northern Ireland (PSNI), will soon have a historic opportunity to help select the new chief constable to replace the long serving Sir Ronnie Flanagan.

The often tragic and troubling history of many in the nationalist community with policing in the north is hopefully coming to an end.

Our International Relations Committee in the House of Representatives held hearings and investigated this past and troubling record.

We know well the problems and anxieties in the nationalist community on the difficult policing issue, and we will continue to push for even more democratically accountable policing in the north.

The chief constable appointment, however, can become a historic crossroads on the nationalist community's relationship with the police service—once viewed by many as merely an arm of unionist domination in the north.

The selection of a new chief constable, with whom the nationalist community, its leadership, and its citizens will have to communicate and interact for years to come on organized crime, parades, protests, illicit drugs, and all of the fundamental rule of law problems in a democratic society, will help define the new policing relationship well into the 21st century.

All of the leaders in the nationalist community must raise their voices and be heard on the vital selection of the new police chief, as surely and rightfully the unionist community will, and should do, as well. This is the very essence of democratic accountability for policing. The key selection decision will be made by the policing board, and Sinn Fein should be part of it.

Not only should the nationalist leadership help choose a qualified, understanding and sensitive chief constable, the time has also come for all of the young people in the nationalist community to consider a rewarding police career in the new PSNI. There they can help serve all of the citizens in the north of Ireland, irrespective of tradition, location, or station in life.

Policing is very often the average citizen's only interaction with his or her government on a daily basis. It is vital that both communities be adequately represented in the police service and that the face of citizen contact should truly represent the entire community.

The ''new beginning'' for policing that the Good Friday agreement wisely envisioned is now becoming a reality in Northern Ireland. We have seen a new name, new badge, new flag, and new police recruits from both traditions. The GAA's island-wide vote to drop its longstanding rule excluding Northern Ireland police officers from playing Gaelic athletic games was a reflection of that new reality.

Change has occurred in policing, and it is broadly welcomed.

Along with the new police leadership in Northern Ireland, at of these new policing efforts will help better serve both communities under the new democratically accountable community policing, especially through the new policing board and district boards, for decades to come.

We in the Congress, and President George Bush in the White House, acknowledged and recognized this new beginning when the administration, at the request of myself and others finally restored our world-renowned FBI police training for the new PSNI in Northern Ireland.

In doing so, President Bush made it clear the US government officially and formally concurs with the British and Irish governments and groups like SDLP and the Roman Catholic Church in the north, that the new PSNI meets the spirit and intent of the recommendations of the Patten commission police reforms. It was a major vote of confidence on the future.

In our nation, earlier Irish emigrants to America often faced isolation, mistreatment and hostile bigotry in many of our major US cities where they embarked or journeyed in an unknown and sometimes hostile land. They did not remain isolated and withdrawn from politics and the police functioning in their newly adopted land, but rather they worked for and brought about change and reform from within these vital institutions.

These courageous and hardworking Irish emigrants to America used our political process and policing to play a key role in improving their lives and bringing themselves, their children, and future generations into the maintstream.

As a result, they have prospered and grown apart of the American melting pot, and today they staff, and in many cases lead, major police departments in several American big cities.

The lessons of Irish emigrants in the US can serve as an example to the nationalist community in the new north of Ireland in dealing with their difficult and challenging police question. The time to sit on the side lines is over.

I strongly urge young people in the north to join the new police service, without fear or favor, and become part of the solution. I also urge, as the Bush administration has urged, that Sinn Fein now in the assembly, also join the new policing board, join in picking the new chief constable, and thereafter hold him or her, and the PSNI fully and democratically accountable to all of the citizens of Northern Ireland.

We in the Congress will continue our efforts to improve and increase police accountability to the new board in areas like the ongoing loyalist attacks on the nationalist community, the Patrick Finucane murder, and the Omagh bombing investigate shortcomings, among other legitimate areas of rightful concern to the nationalist community.

All of the friends of the good, hardworking people of Northern Ireland of both traditions see the future for their children and communities as unlimited. We note that they can help ensure that continuing success by becoming part of the peace process and the new, shared governing institutions, such as the police board. The solutions now lie from within.

We here on our side of the Atlantic will continue to cheer the progress we see daily in Northern Ireland and will work to see it continue. We have helped and encouraged on that front but it is now up to all of the good people of Northern Ireland to fulfill this promise.

OVERCOMING PHYSICAL HURDLES

HON. JANICE D. SCHAKOWSKY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 2002

Ms. SCHAKOWSKY. Mr. Speaker, I want to extend my congratulations to Taina Rodriguez, a Chicago resident and member of my staff who was recently featured in ''Latina'' magazine. Her boundless energy and enthusiasm make Taina a star. Taina has Marfan's syndrome and has overcome a tremendous number of physical obstacles. This has made her a powerful advocate. Taina was an intern at Access Living, a Chicago group fighting for people with disabilities, and now I am proud to have her as a member of my staff. I am proud that Taina will be able to use her fighting spirit to benefit the residents of the 9th district. I urge all of my colleagues to read the inspirational article about Taina in the January/February issue of ''Latina'' magazine.

REAL LOVE STARTS WITH YOU

(By Anamary Pelayo)

Some people have a knack for blaming everyone but themselves when things go wrong. Others have a flair for always finding fault in something that they think they did wrong, then feel burdened by guilt. What would it take to release all of that guilt? The answer may lie in learning to love yourself, experts say. ''You have to be ready to look in the mirror and see all the positives and the negatives,'' says Araceli Perea-Salas, a domestic-violence counselor in southern California. But that's not always easy. Once self-love disappears, it takes a lot of reflection and determination to get it back, says psychologist and author Ana Nogales, Ph.D. ''The key is took within yourself to find your good qualities and build from there. If

you don't you'll never be capable of extending love to others.'' Still, the process is difficult and can sometimes take years. It's why thousands of women find themselves stuck in unhealthy situations for long periods, unable to take control of their lives.

The following woman confronted adversity, found the strength to pull herself out of the dismal hole of self-blame, and emerged with a shared revelation: The key to turning your life around is learning love yourself. Despite this woman's hardships, she says her life is better and more hopeful than ever.

OVERCOMING PHYSICAL HURDLES—TAINA RODRIGUEZ, 21, CHICAGO

My wheelchair has been one of my accessories for 11 years now. We go everywhere together. The chair is as much a part of my life as the Marfan's syndrome that put me in it. This genetic disorder caused my spine to curve and damaged my corneas. As a child, I wore thick glasses, and my body was tall and lanky. I was a prime target for teasing. I remember being called everything from four eyes to banana back. For years I was ashamed of my appearance, my wheelchair, and my inability to do things for myself.

Then, in high school, I met Mari. She would do my hair, and she and I would go shopping together. We would even go to clubs, and I'd wiggle in my wheelchair while she danced next to me. My friend was never embarrassed by me, she didn't seem to care that I was stuck in a wheelchair, so why should I? Instead of feeling ugly, I felt lucky. Maybe I couldn't do everything Mari did, but I almost always found a way to participate, even if it had to be as a spectator at times. For the first time in my life, I felt like a normal teenager. Unfortunately, my health wasn't as resilient. Three years ago, a grueling 18-hour surgery to repair a ruptured heart valve left my in a coma for five days, near death. When I woke up and learned that I had almost died, I was shocked. I couldn't believe my body was strong enough to pull itself out of a coma. I realized what I had slowly been coming to terms with for the past two years: that I had great inner strength and that there was more to my body than its attachment to a wheelchair. Instead of hating my body for its weaknesses, I felt blessed to be alive and eager to get back to my new life.

I learned to drive and bought a car. I also got an internship at Access Living, a nonprofit organization in Chicago that champions rights for the disabled. There, two women and I started the Empowered Fe-Fes, a group for young women with disabilities to talk about issues such as body image and sexuality. I later won a national award for my service to the disabled, and my internship led to a job as an assistant in the Chicago office of Congresswoman Jan Schakowsky (D-Illinois).

I don't think my relationship with my wheelchair will ever be perfect. I still wish I could dance and drive with the full use of my legs, but I have made peace with that. My wheelchair is, after all, a source of mobility, and it doesn't hold me back from living the life I love.

STOP VIOLENCE AGAINST WOMEN CONGRESSIONAL BRIEFINGS

HON. DANNY K. DAVIS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 2002

Mr. DAVIS of Illinois. Mr. Speaker, The narrator in the PBS documentary written by Mary Dickson, ''No Safe Place—Violence Against Women,'' began by relating that:

In the early hours of a hot August morning, three men pulled a woman from her car after a minor traffic accident. The men threatened her with a crowbar, made her strip, then chased her until she jumped off a bridge to her death in the Detroit River. None of the 40 or so passers-by tried to help the 33-year-old woman. Some reports say onlookers cheered as the men taunted her.

A judge in New Bedford, MA, sentenced the confessed rapist of a 14-year-old girl to probation. He then said that the victim ''. . . can't go through life as a victim. She's 14. She got raped. Tell her to get over it.''

The San Francisco Chronicle reported that:

Cassandra Floyd was a respected physician, a single mother living in an affluent San Jose suburb, and ardent volunteer and a role model for young black women. The 35-year-old was also the victim of domestic violence . . . when her ex-husband shot and killed her as their 4-year-old daughter slept nearby and shot and wounded Floyd's mother. He then fled and killed himself.

These are not isolated incidents selected to cause sensationalism. Violence against women is a worldwide epidemic.

According to the NOW Legal Defense and Education Fund,

Violence against women—rape, sexual assault and domestic violence—affects women worldwide, regardless of class or race. Violence not only affects women in the home, but in the workplace, school and every arena of life.

The Center for Health and Gender Equity (CHANGE) at the Johns Hopkins School of Public Health found that

Around the world at least one women in every three has been beaten, coerced into sex, or otherwise abused in her lifetime. Most often the abuser is a member of her own family. Increasingly, gender-based violence is recognized as a major public health concern and a violation of human rights.

The dimensions of this issue were illustrated in a joint study by the Jacobs Institute of Women's Health and the Henry J. Kaiser Family Foundation, which made the following conclusions:

In 1998 there were approximately 2.8 million assaults on women. The Journal of the American Women's Association reported that those most at risk are ''. . . younger, separated or divorced, of lower socioeconomic status and unemployed.'' The risk of assault by an intimate partner increases when a woman is pregnant.

Just four in ten women who are physically injured by a partner seek professional medical treatment.

Women are more likely to be the victim of rape or sexual assaults by an intimate partner or acquaintance, rather than by a stranger.

The National Violence Against Women Survey found that one out of every 12 women, a total of 8.2 million women, has been stalked at some point in their lives.

Women are more likely than men to be killed by someone they know, and nearly one-third of women are killed by an intimate partner, compared to approximately four percent of men, according to the Bureau of Justice Statistics.

Black women are more likely than White or Hispanic women to be the victims of nonlethal violent crimes.

These statistics are appalling. Just as we have come together with our allies to declare war against terrorism, so too must we unite and declare war against this form of terrorism—violence against women.

INTRODUCTION OF THE WORLD WAR I VETERANS MEDAL OF HONOR JUSTICE ACT

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 2002

Mr. GILMAN. Mr. Speaker, I rise today to introduce H.R. 3890, a bill to facilitate the posthumous awarding of a long overdue medal of honor to Sergeant Henry Johnson, of Albany, NY, for actions he preformed in the First World War. Additionally, the legislation requests that the Secretary of the Army review the cases of other African-American veterans from World War I, who have had their accomplishments overlooked due to racism.

This legislation is not without precedent. During the 100th Congress, my former colleagues Joe Dioguardi and Mickey Leland first brought the issue of racism in the awarding of medals of honor to national prominence. In 1997, after years of study, the Secretary of the Army finally recommended that seven Black veterans from World War II have their prior Distinguished Service Cross Awards upgraded to Medals of Honor. Likewise, a similar decision was taken regarding Asian-American veterans from World War II, including that of our esteemed colleague in the Senate, DANIEL INOUYE. Furthermore, last year, I joined my colleague from Florida, BOB WEXLER, in introducing legislation to reconsider the records of several prominent Jewish veterans from World War II and Korea, who had been previously denied Medals of Honor. I was gratified that this bill, H.R. 606, was included in the fiscal year 2002 Defense Authorization Act.

Yet, despite this important progress, Henry Johnson and his colleagues from the Great War still await due recognition for their service to their country. The sole exception to this shameful legacy was the example of Corporal Freddie Stowers, who was posthumously awarded the Medal of Honor in 1991, in large part due to the tireless efforts of former Congressman Dioguardi in promoting his case to the Department of Defense from 1987–1991.

Unlike more recent conflicts, which have been promoted heavily through print and televised media, the First World War has largely receded into the mists of time. What was originally known as the Great War receives scant attention these days, primarily it has become viewed as a failure of sorts. It was, in the words of President Wilson, the ''War to end all wars,'' yet tragically, it did nothing of the kind. World War I was the most widespread, destructive and costly conflict the world had ever seen up to that point, but it paled in comparison to the destruction of the Second World War.

Against this backdrop, the American public has, especially since 1945, forgotten the sacrifices of the generation that made the world ''safe for democracy.'' This is no more true for the African-American veterans of World War I, and especially, for Sergeant Henry Johnson.

On May 14, 1918, Sergeant Johnson, an NCO with the 369th Infantry Regiment, a Black unit of New York National Guard troops,

was stationed as part of a five-man watch in Northern France. Early that morning, Johnson and a fellow soldier were attacked by 24 Germans. Johnson's companion was wounded and captured. When his rifle subsequently jammed, Sergeant Johnson used his bayonet and a knife to kill and wound several Germans. He eventually freed his companion and drove the Germans off, before succumbing to the nearly two dozen wounds he suffered himself.

For his actions in battle, the Government of France awarded its highest military honor to Sergeant Johnson, the Croix de Guerre with Gold Palm. Yet he received nothing from his own country until 1997, when he was posthumously awarded the Purple Heart, a decoration which all U.S. personnel are entitled to if wounded in combat.

Henry Johnson returned to civilian life after the war and attempted to resume his old job as a railway porter. However, his wounds prevented this and he died penniless in 1937.

Mr. Speaker, Sergeant Johnson's case is not unique among African-American veterans of World War I, but it is the most egregious. It is not as if the U.S. Army was totally ignorant of his accomplishments. There is ample evidence that his profile and his story were used to sell war bonds in African-American communities in the closing days of the war. Moreover, in 1976, the Army had no problem featuring him in a U.S. Army recruiting poster. Yet to this day, more than 83 years after the fighting stopped on the Western Front, elements of the military are resisting awarding Sergeant Johnson the Medal of Honor.

Last year, after a 4-year long review, outgoing Secretary of the Army Caldera approved a recommendation that Henry Johnson be awarded the Medal of Honor. Last spring, Former Chairman of the Joint Chiefs General Shelton recommended against such an award stating that ''proper procedure'' had not been followed in the application process.

I believe that any reasonable person would be able to see that it would be impossible to follow outlined procedure in this case, 83 years after the fact. The chief requirement for the award, eyewitness testimony, is an unreachable goal in that any such persons in this instance are long dead. Moreover, it is absurd to argue that Sergeant Johnson should have submitted an application for the award within the proscribed time frame of 3 years. Given the entrenched and pervasive racism that existed in American society and the Army in 1921, it is not a stretch of logic to say such an effort would have been fruitless.

It is for this reason that this legislation further requires the Army to revisit the service records of every other African-American soldier from World War I who was awarded the Distinguished Service Cross or the French Croix De Guerre to determine if a medal upgrade or additional award of the Medal of Honor is warranted.

Mr. Speaker, our Nation has belatedly acknowledged that certain African-American and Asian-American veterans of World War II were unjustly denied proper recognition for military service above and beyond the call of duty. It is now time for us to admit that one debt remains to be paid: The proper acknowledgement of the courageous service of African-American veterans in World War I.

The American veterans of World War I have almost all departed. The VA estimated that approximately 1,000 remained alive at the start of fiscal year 2002. It is long past time for us to recognize the service of Henry Johnson and his fellow African-American soldiers in World War I. When he first brought this issue before this House in 1987, my former colleague from New York, Representative Dioguardi, in criticizing the Pentagon's aversion to review the cases of Black veterans from the World Wars for possible medal upgrades, stated that ''The statute of limitations was established for criminals, not war heroes.''

With this legislation, we have an opportunity to correct a longstanding injustice, a glaring blot on the nobel and historic legacy of the United States Army. These cases have been referred to by some as the last loose ends of World War I. It is now time to close out this unfinished business.

TRIBUTE TO TRAVERSE CITY WEST SENIOR HIGH SCHOOL

HON. BART STUPAK

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 2002

Mr. STUPAK. Mr. Speaker, I rise today to pay tribute to the administration, staff, and students of Traverse City West Senior High School, a school in northern Michigan. In just four years Traverse City West has distinguished itself through the academic success of its students and through national recognition of the school's visual and performing arts programs.

Barbara M. White, a distinguished former president at Mills College in Oakland, California, is quoted as saying, ''The basic purpose of a liberal arts education is to liberate the human being to exercise his or her potential to the fullest.'' Upon hearing those words, I'm sure most listeners would immediately think of a college or university education, but Traverse City West Senior High is preparing its students for a successful life at the high school level.

The school's fine arts curriculum includes a choral program with six performing groups, band and orchestra, an award-winning newspaper and yearbook, theater arts, video and production; there are classes in photography, pottery, ceramics, metals, jewelry, drawing and painting, sculpture, computer art and traditional American arts.

For those students not taking formal arts classes, the Humanities program includes extensive exposure to painting, sculpture, music, dance and film. The arts are incorporated into the science, math and language areas, according to the expertise of the teacher and in collaboration with the arts department. Finally, the school itself is decorated with art murals and stained glass windows designed by students, and music is incorporated into classroom study and even staff meetings.

The study of other cultures, other peoples and other times is part of the school's comprehensive learning environment. Mr. Speaker, these programs have strong parental support for projects and field trips. Accustomed as we may be to booster clubs for sports programs, this ''booster'' spirit for the study of arts, crafts and humanities must be viewed as unique at the high school level.

I do not rise today, Mr. Speaker, to propose that Traverse City West Senior High be taken as the model for all high schools. I rise merely to point out that a combination of hard work and a rich environment can produce academic success. For example, in 2000 Traverse City West received the Governor's Cup for the big North Conference for having the most Michigan Merit Award recipients, and its total placed it sixth in the state. The Michigan Merit Award is a college scholarship based upon performance on the Michigan Educational Assessment Program. I should note that this number is more remarkable when one considers that Traverse City West received the least amount of money per student of the top ten schools listed, and it had the highest percentage of students on the free and reduced lunch program.

Consider, too, that in the four years Traverse City West Senior High has been open, its students have scored above the state and national average on the ACT test. In 1999/2000 its composite ACT score was 21.8, compared to a Michigan average of 21.3 and a national average of 21.0. As I mentioned earlier, the school's newspaper and yearbook have been honored statewide, its theater department recognized nationally, and its music department a finalist in an international competition.

Mr. Speaker, the efforts of the administration, staff, parents and students at Traverse City West High School to acknowledge the arts an essential part of education has now been recognized nationally. The school was recently notified it is the winner of the ''Creative Ticket National School of Distinction Award'' from the John F. Kennedy Center for the Performing Arts. As a result of this award, a representative group of students has been invited to travel here to Washington to perform at the Kennedy Center and to perform at a congressional breakfast celebrating National Arts Day.

Mr. Speaker, I ask you and my House colleagues to join me in praise of the hard work and dedication of the administration, staff, parents and students of Traverse City West High School, a young school with a classical notion of a well-rounded education.

CONGRATULATING THE UNITED STATES MILITARY ACADEMY AT WEST POINT ON ITS BICENTENNIAL ANNIVERSARY

SPEECH OF

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 6, 2002

Mr. GILMAN. Mr. Speaker, ''to educate, train, and inspire the corps of cadets so that each graduate is a commissioned leader of character committed to the values of duty, honor, country; professional growth throughout a career as an officer in the United States Army; and a lifetime of selfless service to the nation.''

That is the mission of an outstanding institution of rich history and formidable pride, our West Point Military Academy, along the shores of our historic Hudson River.

More than 200 years ago, Gen. George Washington, recognizing the strategic importance of West Point, established fortifications

in our war against the British. There, along the west bank of the Hudson River, during the founding of our Nation, West Point was born.

Further recognizing our national need to develop an institution dedicated to the arts and sciences of warfare, Thomas Jefferson signed legislation establishing the U.S. Military Academy in 1802. Over the last two centuries, West Point Military Academy has grown to become one of the most revered institutions of its kind, training young men and women to become great leaders and proud soldiers. Among the distinguished list of Academy graduates are names which have changed the history of our Nation and our world, including Grant, Lee, Sherman, Jackson, Eisenhower, MacArthur, Bradley, Arnold, Clark, and Patton.

In these trying times for our Nation, as many of the service men and women are defending freedom in Afghanistan and elsewhere around the world, it is a fitting tribute to celebrate the 200th anniversary of the U.S. Military Academy at West Point, the citadel of freedom.

The leadership which West Point has provided to our Nation and which will continue to provide for years to come is an inspiration to every American.

West Point is more than just an Academy, it is a pillar of our Nation, and a symbol of our Nation's rich past and fruitful future.

This prestigious Academy is a tribute to the strength of America and our right as free people to pursue life, liberty, and happiness.

The history of West Point is the story of America—a distinguished tale to tell.

God bless West Point and God bless America.

ADDITIONAL MATERIALS REGARDING AMENDMENTS TO FISCAL YEAR 2002 APPROPRIATIONS LEGISLATION AFFECTING THE RIGHTS OF THE WYANDOTTE TRIBE OF OKLAHOMA

HON. DENNIS MOORE

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 2002

Mr. MOORE. Mr. Speaker, on March 4, I placed in the CONGRESSIONAL RECORD an extension of remarks, that included a letter from Leaford Bearskin, the chief of the Wyandotte Tribe of Oklahoma, concerning congressional actions last year that affected his Tribe. Due to space limitations, I was unable to include correspondence from organizations in the Third District of Kansas supporting the Wyandotte Tribe Settlement Act, referred to by Chief Bearskin. I have included the nine letters below.

UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS,
Kansas City, KS, October 20, 1999.

Hon. DON YOUNG,
Chairman, House Resources Committee, House of Representatives, Rayburn House Office Building, Washington, DC.

DEAR CHAIRMAN YOUNG: On behalf of the citizens of Wyandotte County/Kansas City, Kansas, I would like to thank you for your efforts in sponsoring H.R. 1533, The Wyandotte Tribe Settlement Act, and strongly urge you to continue your efforts to move this critical piece of legislation though Congress before it adjourns.

The citizens here, overwhelmingly, endorsed gaming at the Woodlands by an 80 percent vote in 1997. The passage of H.R. 1533 and similar legislation in the Senate would allow the Wyandotte Nation the opportunity to open a gaming facility at the Woodlands and greatly enhance the economy of this city and county. There is already widespread gaming throughout the State of Kansas and in the Kansas City area. This bill would allow the citizens of Wyandotte County to realize economic gains that are currently not available to them.

Your continued efforts are greatly appreciated, and If I can be of any assistance, please do not hesitate to call me.

Sincerely,

CAROL MARINOVICH,
Mayor/CEO.

THE KANSAS CITY, KANSAS AREA CHAMBER OF COMMERCE,
Kansas City, KS, October 20, 1999.

Hon. DON YOUNG,
Chairman, House Resources Committee, Rayburn House Office Building, House of Representatives, Washington, DC.

DEAR CONGRESSMAN YOUNG: I am writing to once again reiterate this organization's support for and to thank you for your efforts to expedite the passage of H.R. 1533: The Wyandotte Tribe Settlement Act of 1999.

As you know the by-product of this legislation will have a significant impact not only on the economic well being of the Wyandotte Nation, but certainly for our community at well. I believe that the passage of H.R. 1533 will allow the Wyandotte Nation to exercise certain rights afforded to them via the Indian Gaming Act of 1988. This also would create an opportunity for the Wyandotte Nation and the current ownership of the Woodlands greyhound and thoroughbred pari-mutuel racetrack to negotiate an agreement for a Tribal Casino. The Woodlands would be greatly aided by this arrangement.

Congressman Young, legalized games of chance and casino gaming are not unknown to our community, nor to the State of Kansas. There is already legalized gaming just across the state line in metropolitan Kansas City, Missouri, and there are several Tribal Casino operations in the State of Kansas. H.R. 1533 will allow for a win-win situation for our community, the State of Kansas as well at the Wyandotte Nation.

Thanking you in advance for your support and sponsorship of H.R. 1533, I am

Sincerely,

DERYL W. WYNN,
Chairman of the Board, Kansas City, Kansas Area Chamber of Commerce.

DAN SCHENKEIN,
President, Kansas City, Kansas Area Chamber of Commerce.

GREATER KANSAS CITY BUILDING AND CONSTRUCTION TRADES COUNCIL, AFL–CIO,
Independence, MO October 19, 1999.

Hon. Congressman DON YOUNG,
Chairman House Resources Committee, Rayburn Office Building, Washington, DC

DEAR CHAIRMAN YOUNG: I am writing this letter in strong support of House Bill 1533, regarding the Wyandotte Tribe of Oklahoma's request for due compensation from Congress for lands and rights issues pertaining to the Treaty of 1855.

The successful passage of H.B. 1533 will create significant benefits for the Kansas City Metropolitan Area, not to mention specifically the working class community of Kansas City, Kansas and Wyandotte County. In a unique area of our metro-plex where employment opportunities are needed most, Kansas City, Kansas and it's residents will significantly benefit from your efforts towards H.B. 1533 successful passage.

On behalf of the rank and file of the Greater Kansas City Building & Construction Trades Council, AFL–CIO I urge your continued diligence on H.B. 1533.

Sincerely,

GARRY KEMP,
Exec. Sec./Business Manager, Greater Kansas City Building & Construction Trades Council.

AFL–CIO TRI-COUNTY LABOR COUNCIL OF EASTERN KANSAS UNION LABEL & SERVICE TRADES—AREA COPE,
Kansas City, KS, October 20, 1999.

Hon. Congressman DON YOUNG,
Chairman, House Resources Committee, Rayburn Office Building, Washington, DC.

DEAR CHAIRMAN YOUNG: I am writing this letter in strong support of House Bill 1533, regarding the Wyandotte Tribe of Oklahoma's request for due compensation from Congress for lands and rights issues pertaining to the Treaty of 1855.

The successful passage of H.B. 1533 will create significant benefits for the Kansas City Metropolitan Area, not to mention specifically the working class community of Kansas City, Kansas and Wyandotte County. In a unique area of our metro-plex where employment opportunities are needed most, Kansas City, Kansas and its residents will significantly benefit from your efforts towards H.B. 1533's successful passage.

On behalf of the rank and file of the AFL–CIO Tri-County Labor Council of Eastern Kansas, I urge your continued diligence on H.B. 1533.

Sincerely,

JIM HADEL,
President, Tri-County Labor Council.

WYANDOT NATION OF KANSAS, INC.,
Kansas City, KS, July 11, 1998.

Re Wyandot Nation of Kansas and the Wyandotte Tribe of Oklahoma Settlement.

Hon. DON YOUNG,
Rayburn House Office Building, United States House of Representatives, Washington, DC.

DEAR CONGRESSMAN YOUNG. On May 19, 1998, Congressman Vincent Snowbarger and Holly Zane, Attorney General of the Wyandot Nation of Kansas, authored letters which reference a controversy between the Wyandotte Tribe of Oklahoma and the Wyandot Nation of Kansas regarding the use of the Huron Cemetery. This letter advises you that this controversy has been resolved by the Wyandotte Tribe of Oklahoma and the Wyandot Nation of Kansas. The settlement prohibits the use of the Huron Cemetery for any use other than religious, cultural or those compatible with the use of the land as a burial ground.

Thank you very much for your attention to this matter.

Sincerely,

WYANDOT NATION OF KANSAS, INC.

MINORITY CONTRACTORS ASSOCIATION OF GREATER KANSAS CITY,
Kansas City, MO, October 19, 1999.

Hon. Congressman DONALD YOUNG,
Chairman House Resources Committee, House of Representatives, Rayburn House Office Building, Washington, DC.

DEAR CHAIRMAN YOUNG. The House Resources Committee passed H.B. 1533 which allows the Wyandotte Tribe of Oklahoma to redeem ''lost'' tribal rights to land in Wyandotte County. This Bill is now awaiting action by the full House. The Minority Contractors Association would like to help educate you on the bill's impact with this letter and seek your support for it. As you may recall last year the Senate imposed a restriction on the Tribe's use and rights of their own land. H.B. 1533 restores those rights without infringing on last year's Senate action and helps meet critical needs in our community. The members of this association believe that this bill will greatly enhance economic development and construction in our community.

As you know the by-product of this legislation will have a significant impact not only on the economic well being of the Wyandotte Tribe of Oklahoma, but certainly for the people of Wyandotte County as well. The entire region will benefit from our growing economy and the opportunities for employment. We believe that the passage of H.B. 1533 will allow the Wyandotte Tribe to exercise their rights to own and operate a Tribal Casino in our community under the authority of the Indian Gaming Act of 1988.

The residents of this community in 1996 voted overwhelmingly in an advisory vote to endorse legalized gaming by nearly 80 percent. Additionally, the Wyandotte Tribe has entered into a memorandum of understanding with the Unified government of Wyandotte County, Kansas City, Kansas for the purchase and operation of the Woodlands Greyhound and thoroughbred paranutual racetrack as a Tribal Casino. The Woodlands will be enhance greatly by this arrangement and will be revitalized to add value to our community. The citizens of Wyandotte County, the Kansas City Kansas Area Chamber of Commerce and the members of the Minority Contractors Association have gone on record of continually supporting this issue and casino-style gaming at the Woodlands. Chairman Young, as you know legalized games of chance and casino gaming are not strangers to our community nor the State of Kansas, Missouri, Nebraska or Iowa. There is already wide-spread gaming with several Tribal Casino operations within the State of Kansas. We believe that H.B. 1533 will allow for a win-win situation for our community as well as the Wyandotte Tribe of Oklahoma. To that end the Minority Contractors Association humbly urges you to review this legislation before the adjournment of the 106th Congress.

I appreciate your time and interest in this matter and look forward to hearing from you as you review this critical issue facing this community.

Sincerely,

MIKE HUGHES,
Executive Director.

HISPANIC CHAMBER OF COMMERCE OF GREATER KANSAS CITY,
Kansas City, MO, October 21, 1999.

Hon. DON YOUNG,
Chairman, House Resources Committee, House of Representatives, Rayburn House Office Building, Washington, DC.

DEAR CHAIRMAN YOUNG: On behalf of the Hispanic Chamber of Commerce of Greater Kansas City, I would like to thank you for your efforts in sponsoring H.R. 1533, The Wyandotte Tribe Settlement Act. The Hispanic Chamber strongly urges you to continue your efforts to move this critical piece of legislation through Congress before it adjourns.

The citizens of Kansas City overwhelmingly endorsed gaming at the Woodland by an 80 percent vote in 1997. The passage of H.R. 1533 and similar legislation in the Senate would allow the Wyandotte Nation the opportunity to open a gaming facility at the Woodlands. This in turn would improve the economy of the City and Wyandotte County. We are pleased to hear about the Wyandotte Tribe's commitment to diversity. We are certain that through the passage of this bill, that the Hispanic community will be provided economic opportunities in the areas of construction, services and employment.

Your continued efforts are greatly appreciated and if I can be of any assistance, please do not hesitate to call me.

Sincerely,

WILLIAM TORRES,
First Vice President.

WYANDOTTE DEVELOPMENT, INC.,
Kansas City, KS, October 21, 1999.

Hon. DON YOUNG,
Chairman, House Resources Committee, Rayburn House Office Building, House of Representatives, Washington, DC

CONGRESSMAN YOUNG: I am writing on behalf of Wyandotte Development, Inc., which serves as the lead private economic development agency for Wyandotte County Kansas serving the communities of Edwardsville, Bonner Springs, and Kansas City.

I am writing to encourage your continued efforts to pass House Resolution 1533, which would return tribal rights in our County to the Wyandotte Nation. As you know, our community and this organization are committed to the viable economic operation of the Woodlands para-mutual racetrack in our community. This organization believes that H.R. 1533 provides a unique potential for casino style gaming to be conducted at the Woodlands. Should that occur, it would allow our community to compete for tourism and gaming revenues on a regional basis and will create significant employment opportunities for our residents.

Please continue your fine efforts on House Resolution 1533.

Sincerely,

GARY D. GRABLE,
Chairman of the Board, Wyandotte Development Incorporated.

THE WOMEN'S CHAMBER OF COMMERCE,
Kansas City, KS, October 20, 1999.

Hon. DON YOUNG,
Chairman, Housing Resources Committee, Rayburn House Office Building, House of Representatives, Washington, DC.

DEAR CONGRESSMAN YOUNG: Thank you for your efforts to expedite the passage of H.R. 1533: The Wyandotte Tribe Settlement Act of 1999. I again request that you continue to support this worthy effort.

The by-product of this legislation will have a significant impact on only on the economic well being of the Wyandotte Nation, but certainly for our community as well. I believe that the passage of H.R. 1533 will allow the Wyandotte Nation to exercise certain rights afforded to them via the Indian Gaming Act of 1988. This also would create an opportunity for the Wyandotte Nation and the current ownership of the Woodlands greyhound and thoroughbred para-mutual racetrack to negotiate an agreement for a Tribal Casino. The Woodlands would be greatly aided by this arrangement. The board of directors of the Kansas City Kansas Women's Chamber of Commerce has continually supported casino-style gambling at the Woodlands since 1995.

There are legalized casinos just across the state line in metropolitan Kansas City, Missouri, and there are several Tribal Casino operations in the State of Kansas. I believe that H.R. 1533 would benefit our own community with jobs and economic opportunities. These opportunities would have a positive effect on my community, the State of Kansas and the Wyandotte Nation.

Thanking you in advance for your support and sponsorship of H.R. 1533.

Sincerely,

LORETTA MORTON,
President, Kansas City, Kansas Women's Chamber of Commerce.

Daily Digest

HIGHLIGHTS

House agreed to the Senate amendment to H.R. 3090, to provide tax incentives for economic recovery, with an amendment, the Job Creation and Worker Assistance Act of 2002.

Senate

Chamber Action

Routine Proceedings, pages S1621–S1688

Measures Introduced: Six bills and four resolutions were introduced, as follows: S. 1996–2001, and S. Res. 218–221. **Pages S1675–76**

Measures Reported:

S. Res. 214, designating March 25, 2002, as "Greek Independence Day: A National Day of Celebration of Greek and American Democracy". **Page S1675**

Energy Policy Act: Senate continued consideration of S. 517, to authorize funding for the Department of Energy to enhance its mission areas through technology transfer and partnerships for fiscal years 2002 through 2006, taking action on the following amendments proposed thereto: **Pages S1621–58**

Adopted:

By 78 yeas to 21 nays (Vote No. 42), Voinovich Amendment No. 2983, to reauthorize the Price-Anderson Act. **Pages S1622–32, S1642**

By 78 yeas to 21 nays (Vote No. 43), Bingaman Modified Amendment No. 2986 (to Amendment No. 2917), to study whether there is a need to regulate hydraulic fracturing with respect to its known and potential effects on underground drinking water sources. **Pages S1632–42, S1642–43**

Craig Amendment No. 2987 (to Amendment No. 2917), to provide for multiple-year authorization for the fusion energy sciences program. **Page S1643**

Murkowski Amendment No. 2988 (to Amendment No. 2979), to prohibit any person from damaging or destroying intrastate pipelines that are used in interstate or foreign commerce or in any activity affecting interstate or foreign commerce. **Pages S1645–47**

Bingaman (for Akaka) Amendment No. 2991 (to Amendment No. 2917), making technical corrections to section 1702 requiring an assessment of the dependence of the State of Hawaii on oil. **Page S1655**

Withdrawn:

Reid Amendment No. 2984 (to Amendment No. 2983), in the nature of a substitute. **Pages S1626–28**

Pending:

Daschle/Bingaman Further Modified Amendment No. 2917, in the nature of a substitute. **Pages S1621–58**

McCain Amendment No. 2979 (to Amendment No. 2917), to provide for enhanced safety, public awareness, and environmental protection in pipeline transportation. **Pages S1643–49**

Feinstein Amendment No. 2989 (to Amendment No. 2917), to provide regulatory oversight over energy trading markets. **Pages S1649–54**

Bingaman/Domenici Amendment No. 2990 (to Amendment No. 2917) to promote collaboration between the United States and Mexico on research related to energy technologies. **Page S1654**

A unanimous-consent agreement was reached providing for further consideration of the bill and McCain Amendment No. 2979 (listed above) on Friday, March 8, 2002, with a vote to occur thereon. **Page S1659**

Job Creation and Worker Assistance Act: Senate began consideration of the House Message to H.R. 3090, to provide tax incentives for economic recovery, with an amendment. **Pages S1659–71**

A unanimous-consent agreement was reached providing for further consideration of the House Message on Friday, March 8, 2002, with a vote to occur thereon. **Page S1688**

Messages From the House: **Pages S1672–73**

Measures Referred: **Page S1673**

Measures Placed on Calendar: **Page S1673**

Enrolled Bills Presented: **Page S1673**

Executive Communications: **Pages S1673–75**

Executive Reports of Committees: Page S1675

Additional Cosponsors: Pages S1676–77

Statements on Introduced Bills/Resolutions: Pages S1677–82

Additional Statements: Page S1672

Amendments Submitted: Pages S1682–87

Authority for Committees to Meet: Pages S1687–88

Record Votes: Two record votes were taken today. (Total—43) Pages S1642–43

Adjournment: Senate met at 10 a.m., and adjourned at 6:43 p.m., until 9:15 a.m., on Friday, March 8, 2002. (For Senate's program, see the remarks of the Acting Majority Leader in today's Record on page S1688).

Committee Meetings

(Committees not listed did not meet)

APPROPRIATIONS—FCC/SEC

Committee on Appropriations: Subcommittee on Commerce, Justice, State, and the Judiciary concluded hearings on proposed budget estimates for fiscal year 2003, on behalf of funds for their respective activities, after receiving testimony from Michael K. Powell, Chairman, Federal Communications Commission; and Harvey L. Pitt, Chairman, U.S. Securities and Exchange Commission.

APPROPRIATIONS—INTERIOR

Committee on Appropriations: Subcommittee on Interior concluded hearings on proposed budget estimates for fiscal year 2003 for the Department of Energy, after receiving testimony from Spencer Abraham, Secretary of Energy.

APPROPRIATIONS—HHS

Committee on Appropriations: Subcommittee on Labor, Health and Human Services, and Education concluded hearings on proposed budget estimates for fiscal year 2003 for the Department of Health and Human Services, after receiving testimony from Tommy G. Thompson, Secretary of Health and Human Services.

AMTRAK

Committee on Appropriations: Subcommittee on Transportation concluded hearings to examine Amtrak performance, budget, and passenger rail service issues, focusing on a new national policy on intercity passenger rail and the Federal role in support of that form of transportation, after receiving testimony from Michael P. Jackson, Deputy Secretary, Allan Rutter, Administrator, Federal Railroad Administration, and Kenneth M. Mead, Inspector General, all of the Department of Transportation; George D. Warrington, President/CEO, Amtrak (National Railroad Passenger Corporation); and Ronald Utt, Heritage Foundation, Washington, D.C.

DEFENSE AUTHORIZATION

Committee on Armed Services: Committee concluded hearings on proposed legislation authorizing funds for fiscal year 2003 for the Department of Defense and the Future Years Defense Program, after receiving testimony from Gen. Eric K. Shinseki, USA, Chief of Staff, United States Army; Adm. Vernon E. Clark, USN, Chief of Naval Operations; Gen. James L. Jones, USMC, Commandant of the Marine Corps; and Gen. John P. Jumper, Chief of Staff, United States Air Force.

DEFENSE AUTHORIZATION

Committee on Armed Services: Subcommittee on Strategic concluded hearings on proposed legislation authorizing funds for fiscal year 2003 for the Department of Defense, focusing on the Ballistic Missile Defense Program, after receiving testimony from E.C. Aldridge, Under Secretary of Defense for Acquisition, Technology, and Logistics; and Lt. Gen. Ronald T. Kadish, USAF, Director, Missile Defense Agency.

MONETARY POLICY

Committee on Banking, Housing, and Urban Affairs: Committee concluded oversight hearings to examine the Semi-Annual Report on Monetary Policy of the Federal Reserve, after receiving testimony from Alan Greenspan, Chairman, Board of Governors of the Federal Reserve System.

NATIONAL TRAILS SYSTEMS

Committee on Energy and Natural Resources: Subcommittee on National Parks concluded hearings to examine S. 1069/H.R. 834, to amend the National Trails System Act to clarify Federal authority relating to land acquisition for willing sellers from the majority of the trails in the System, S. 213/H.R. 37, to amend the National Trails System Act to update the feasibility and suitability studies of 4 national historic trails and provide for possible additions to such trails, H.R.1384, to amend the National Trails System Act to designate the route in Arizona and New Mexico which the Navajo and Mescalero Apache Indian tribes were forced to walk in 1863 and 1864, for study for potential addition to the National Trails System, and S. 1946, to amend the National Trails System Act to designate the Old Spanish Trail as a National Historic Trail, after receiving testimony from Senators Hatch and Levin; Katherine Stevenson, Associate Director, Cultural Resources

Stewardship and Partnerships, National Park Service, Department of the Interior; Kelsey Begaye, Navajo Nation, Window Rock, Arizona; Shane Henry, Colorado Department of Natural Resources, Denver; William C. Watson, Oregon-California Trails Association, Orinda, California; Patrick Hearty, National Pony Express Association, Inc., South Jordan, Utah; Gary Werner, Partnership for the National Trails System, Inc., Madison, Wisconsin; and Dru Bower, Petroleum Association of Wyoming, Casper.

PRESCRIPTION DRUG COVERAGE

Committee on Finance: Committee held hearings to examine the President's proposed budget request for fiscal year 2003 for prescription drug coverage as part of the Medicare proposal, receiving testimony from former Senator Bob Kerrey, on behalf of the Concord Coalition; Thomas A. Scully, Administrator, Centers for Medicare and Medicaid Services, and Bobby P. Jindal, Assistant Secretary for Planning and Evaluation, both of the Department of Health and Human Services; Dan L. Crippen, Director, Congressional Budget Office; William D. Novelli, American Association of Retired Persons, and Patricia Neuman, Henry J. Kaiser Family Foundation Medicare Policy Project, both of Washington, D.C.

Hearings recessed subject to call.

CONVENTION ON THE RIGHTS OF THE CHILD PROTOCOLS

Committee on Foreign Relations: Committee concluded hearings to examine two optional protocols to the Convention on the Rights of the Child, both of which were adopted at New York, May 25, 2000: (1) The Optional Protocol to the Convention on the Rights of the Child on Involvement of Children in Armed Conflict; and (2) The Optional Protocol to the Conventional on the Rights of the Child on the Sale of Children, Child Prostitution and Child Pornography, signed on July 5, 2000 (Treaty Doc. 106–37), after receiving testimony from E. Michael Southwick, Deputy Assistant Secretary of State for International Organization Affairs; Marshall S. Billingslea, Deputy Assistant Secretary of Defense for Negotiations Policy; John G. Malcolm, Deputy Assistant Attorney General, Criminal Division, Department of Justice; Jo Becker, Human Rights Watch, New York, New York; and RAdm. Eugene J. Carroll, Jr, USN (Ret.), Center for Defense Information, and RAdm. Timothy O. Fanning, Jr., USNR (Ret.), Navy League of the United States, both of Washington, D.C.

HUMAN TRAFFICKING

Committee on Foreign Relations: Subcommittee on Near Eastern and South Asian Affairs concluded hearings to examine the trafficking of persons, focusing on monitoring and combating this practice through the implementation of the Victims of Trafficking and Violence Protection Act of 2000, after receiving testimony from Paula Dobriansky, Under Secretary for Global Affairs, and Nancy Ely-Raphel, Senior Advisor, Office to Monitor and Combat Trafficking in Persons, both of the Department of State; Viet D. Dinh, Assistant Attorney General, Office of Legal Policy, Department of Justice; Nguyen Van Hanh, Director, Office of Refugee Resettlement, Administration for Children and Families, Department of Health and Human Services; Hae Jung Cho, Coalition to Abolish Slavery and Trafficking, Los Angeles, California; Ann Jordan, International Human Rights Law Group, Washington, D.C.; and Carol Smolensky, End Child Prostitution and Trafficking-USA, New York, New York.

PUBLIC HEALTH/NATURAL RESOURCES

Committee on Governmental Affairs: Committee concluded hearings to examine public health and natural resources, focusing on current implementation of environmental laws, after receiving testimony from Senators Jeffords and Craig; Christine Todd Whitman, Administrator, Eric V. Schaeffer, former Director, Office of Regulatory Enforcement, and E. Donald Elliot, former General Counsel, all of the Environmental Protection Agency; Thomas O. McGarity, University of Texas School of Law, Austin; and Gregory S. Wetstone, National Resources Defense Council, Washington, D.C.

INDIAN PROGRAMS BUDGET

Committee on Indian Affairs: Committee resumed hearings on the President's proposed budget request for fiscal year 2003 for Indian programs, focusing on employment and training, education, housing, government, and law enforcement, receiving testimony from Michael H. Trujillo, Director, Assistant Surgeon General/Director, Indian Health Services, Department of Health and Human Services; and Michael Liu, Assistant Secretary of Housing and Urban Development for Public and Indian Housing.

Hearings continue on Thursday, March 14.

BUSINESS MEETING

Committee on the Judiciary: Committee ordered favorably reported the following business items:

S. Res. 214, designating March 25, 2002, as "Greek Independence Day: A National Day of Celebration of Greek and American Democracy"; and

The nominations of Ralph R. Beistline, to be United States District Judge for the District of Alaska, David C. Bury, to be United States District Judge for the District of Arizona, Randy Crane, to be United States District Judge for the Southern District of Texas, Eric F. Melgren, to be United

States Attorney for the District of Kansas, Paul I. Perez, to be United States Attorney for the Middle District of Florida, Theophile Alceste Duroncelet, to be United States Marshal for the Eastern District of Louisiana, John R. Edwards, to be United States Marshal for the District of Vermont, Stephen Gilbert Fitzgerald, to be United States Marshal for the Western District of Wisconsin, Gregory Allyn Forest, to be United States Marshal for the Western District of North Carolina, James Loren Kennedy, to be United States Marshal for the Southern District of Indiana, Dennis Cluff Merrill, to be United States Marshal for the District of Oregon, James Thomas Plousis, to be United States Marshal for the District of New Jersey, J.C. Raffety, of West Virginia, to be United States Marshal for the Northern District of West Virginia, Charles R. Reavis, to be United States Marshal for the Eastern District of North Carolina, Michael Robert Regan, to be United States Marshal for the Middle District of Pennsylvania, James Anthony Rose, to be United States Marshal for the District of Wyoming, John Schickel, of Kentucky, to be United States Marshal for the Eastern District of Kentucky, Jesse Seroyer, Jr., to be United States Marshal for the Middle District of Alabama, Timothy Dewayne Welch, to be United States Marshal for the Northern District of Oklahoma, and William R. Whittington, to be United States Marshal for the Western District of Louisiana.

House of Representatives

Chamber Action

Measures Introduced: 31 public bills, H.R. 3890–3920; and 4 resolutions, H.J. Res. 84, H. Con. Res. 343–344, and H. Res. 363, were introduced. **Pages H779–81**

Reports Filed: Reports were filed today as follows:

H.R. 706, to direct the Secretary of the Interior to convey certain properties in the vicinity of the Elephant Butte Reservoir and the Caballo Reservoir, New Mexico, amended (Rept. 107–368); and

H.R. 3389, to reauthorize the National Sea Grant College Program Act, amended ((Rept. 107–369, Pt. 1). Referred sequentially to the Committee on Science for a period ending not later than April 17, 2002 for consideration of such provisions of the bill and amendment as fall within the jurisdiction of that committee pursuant to clause 1(n), rule X. **Page H779**

Job Creation and Worker Assistance Act of 2002: By a yea-and-nay vote of 417 yeas to 3 nays, Roll No. 52, the House agreed to the Senate amendment to H.R. 3090, to provide tax incentives for economic recovery, with an amendment that strikes the matter proposed to be inserted by the Senate and inserts text for the Job Creation and Worker Assistance Act of 2002. **Pages H744–67**

The House amendment was made in order by the rule and printed in H. Rept. 107–367.

The House agreed to H. Res. 360, the rule that provided for consideration of the Senate amendment by voice vote. Earlier agreed to order the previous question by a yea-and-nay vote of 217 yeas to 192 nays, Roll No. 51. **Pages H742–44**

Legislative Program: The Majority Leader announced the Legislative Program for the week of March 11th. **Page H767**

Meeting Hour—Monday, March 11: Agreed that when the House adjourns today, it adjourn to meet at 2 p.m. on Monday March 11. **Page H767**

Meeting Hour—Tuesday, March 12: Agreed that when the House adjourns on Monday, March 11, it adjourn to meet at 12:30 p.m. on Tuesday, March 12 for morning hour debate. **Page H767**

Calendar Wednesday: Agreed to dispense with the Calendar Wednesday business of Wednesday, March 13. **Pages H767–68**

Class Action Fairness Act of 2001—Committee on the Judiciary Report: Agreed that the Committee on the Judiciary have until 7 p.m. on Monday, March 11 to file a report on H.R. 2341, to amend the procedures that apply to consideration of interstate class actions to assure fairer outcomes for class members and defendants, to outlaw certain practices that provide inadequate settlements for class members, to assure that attorneys do not receive a disproportionate amount of settlements at the expense of class members, to provide for clearer and simpler information in class action settlement notices, to assure prompt consideration of interstate class actions, to amend title 28, United States Code, and to allow the application of the principles of Federal diversity jurisdiction to interstate class actions. **Page H768**

Expenses of the Permanent Select Committee on Intelligence: The House agreed to H. Res. 359, providing amounts for providing amounts for further

expenses of the Permanent Select Committee on Intelligence in the second session of the One Hundred Seventh Congress. **Pages H768–69**

Agriculture, Conservation, and Rural Enhancement Act—Appointment of Additional Conferees: The Chair announced additional conferees to H.R. 2646, to provide for the continuation of agricultural programs through fiscal year 2011 (On February 28, 2002, the House disagreed to the Senate amendment to the bill, agreed to a conference, and appointed conferees. The Chair announced that the conferee appointment may be supplemented at a later time): From the Committee on the Budget, for consideration of section 197 of the Senate amendment, and modifications committed to conference: Chairman Nussle and Representatives Sununu and Spratt. From the Committee on Education and the Workforce for consideration of sections 453–5, 457–9, 460–1, and 464 of the Senate amendment, and modifications committed to conference: Representatives Castle, Osborne, and Kildee. From the Committee on Energy and Commerce for consideration of sections 213, 605, 627, 648, 652, 902, 1041, and 1079E of the Senate amendment, and modifications committed to conference: Chairman Tauzin and Representatives Barton of Texas and Dingell. From the Committee on Financial Services for consideration of sections 335 and 601 of the Senate amendment, and modifications committed to conference: Chairman Oxley and Representatives Bachus, and LaFalce. From the Committee on International Relations for consideration of title III of the House bill and title III of the Senate amendment, and modifications committed to conference: Chairman Hyde and Representatives Smith of New Jersey and Lantos. From the Committee on the Judiciary for consideration of sections 940–1 of the House bill and sections 602, 1028–9, 1033–5, 1046, 1049, 1052–3, 1058, 1068–9, 1070–1, 1098, and 1098A of the Senate amendment, and modifications committed to conference: Chairman Sensenbrenner and Representatives Green of Wisconsin and Baldwin. From the Committee on Resources for consideration of sections 201, 203, 211, 213, 215–7, 262, 721, 786, 806, 810, 817–8, 1069, 1070, and 1076 of the Senate amendment, and modifications committed to conference: Hansen, Young of Alaska and Kind. From the Committee on Science for consideration of sections 808, 811, 902–3, and 1079 of the Senate amendment, and modifications committed to conference: Chairman Boehlert and Representatives Ballenger and Hall of Texas. From the Committee on Ways and Means for consideration of sections 127 and 146 of the House bill and sections 144, 1024, 1038, and 1070 of the Senate amendment, and modifications committed to conference: Chairman Thomas and Representatives Herger and Rangel. **Page H777**

Senate Message: Message received from the Senate today appears on page H739.

Quorum Calls—Votes: Two yea-and-nay votes developed during the proceedings of the House today and appear on pages H744 and H766–67. There were no quorum calls.

Adjournment: The House met at 10 a.m. and adjourned at 2:17 p.m.

Committee Meetings

AGRICULTURE, RURAL DEVELOPMENT, AND FDA APPROPRIATIONS

Committee on Appropriations: Subcommittee on Agriculture, Rural Development, Food and Drug Administration and Related Agencies held a hearing on Food, Nutrition and Consumer Services. Testimony was heard from the following officials of the USDA: Stephen B. Dewhurst, Budget Officer; Eric M. Bost, Under Secretary; and Suzanne M. Biermann, Deputy Under Secretary, both with Food, Nutrition and Consumer Services; George A. Braley, Acting Administrator; and Peter S. Murano, Deputy Administrator, Special Nutrition Programs, both with Food and Nutrition Service.

COMMERCE, JUSTICE, STATE AND JUDICIARY APPROPRIATIONS

Committee on Appropriations: Subcommittee on Commerce, Justice, State and Judiciary held a hearing on Federal Judiciary, and on Immigration and Naturalization Service. Testimony was heard from the following members of the Committee on the Budget of the Judicial Conference of the United States: Judge John G. Heyburn II, Chairman, U.S. District Court, Western District of Kentucky; and Magistrate Judge Thomas B. McCoun III, U.S. District Court, Middle District of Florida; Leonidas Ralph Mecham, Director, Administrative Office of the United States Courts, member, Executive Committee of the Judicial Conference of the United States; Judge Fern M. Smith, Director, Federal Judicial Center, U.S. District Court, Northern District of California; and James W. Ziglar, Commissioner, INS, Department of Department of Justice.

ENERGY AND WATER DEVELOPMENT APPROPRIATIONS

Committee on Appropriations: Subcommittee on Energy and Water Development met in executive session to hold a hearing on Department of Energy-National Nuclear Security Administration. Testimony was heard from Gen. John A. Gordon, USAF, (Ret.),

Under Secretary, National Nuclear Security Administration, Department of Energy.

FOREIGN OPERATIONS APPROPRIATIONS

Committee on Appropriations: Subcommittee on Foreign Operations, Export Financing and Related Agencies held a hearing on Export Financing. Testimony was heard from Eduardo Aguirre, Jr., Vice-Chairman and First Vice President, Export-Import Bank; Peter Watson, President, Overseas Private Investment Corporation; and Thelma J. Askey, Director, Trade and Development Agency.

INTERIOR APPROPRIATIONS

Committee on Appropriations: Subcommittee on Interior held a hearing on Geological Survey. Testimony was heard from Charles G. Groat, Director, U.S. Geological Survey, Department of the Interior.

LABOR, HHS AND EDUCATION APPROPRIATIONS

Committee on Appropriations: Subcommittee on Labor, Health and Human Services, and Education held a hearing on Health Resources and Services Administration. Testimony was heard from Elizabeth James Duke, Acting Administrator, Health Resources and Services Administration, Department of Health and Human Services.

MILITARY CONSTRUCTION APPROPRIATIONS

Committee on Appropriations: Subcommittee on Military Construction held a hearing on Pacific Command. Testimony was heard from the following officials of the Department of Defense: Gen. Thomas A. Schwartz, Commander in Chief, United Nations Command; and Adm. Dennis T. Blair, USN, Commander in Chief, U.S. Pacific Command.

TRANSPORTATION APPROPRIATIONS

Committee on Appropriations: Subcommittee on Transportation held a hearing on National Highway Traffic Safety Administration. Testimony was heard from Jeffery W. Runge, Administrator, National Highway Traffic Safety Administration, Department of Transportation.

VA, HUD, INDEPENDENT AGENCIES APPROPRIATIONS

Committee on Appropriations: Subcommittee on VA, HUD, and Independent Agencies held a hearing on Agency for Toxic Substances and Disease Registry, and on Neighborhood Reinvestment Corporation. Testimony was heard from Henry Falk, M.D., Assistant Administrator, Agency for Toxic Substance and Disease Registry, Department of Health and Human Services, and Ellen Lazar, Executive Director, Neighborhood Reinvestment Corporation.

NATIONAL DEFENSE AUTHORIZATION BUDGET REQUEST

Committee on Armed Services: Subcommittee on Military Installations and Facilities held a hearing on the fiscal year 2003 National Defense authorization budget request. Testimony was heard from the following officials of the Department of Defense: Dov Zakheim, Under Secretary (Comptroller); Raymond F. DuBois, Jr., Deputy Under Secretary (Installations and Environment); Mario P. Fiori, Assistant Secretary, Army (Installations and Environment); Maj. Gen. Robert L. Van Antwerp, Jr., USA, Assistant Chief of Staff (Installation Management), Department of the Army; Maj Gen. James R. Helmly, Commander (TPU), 78th Division, Training Support, U.S. Army Reserve; and Brig. Gen. Michael J. Squier, Deputy Director, Army National Guard.

HEALTH CARE SHARING—DOD AND DVA

Committee on Armed Services: Subcommittee on Military Personnel and the Subcommittee on Health of the Committee on Veterans' Affairs held a joint hearing on health care sharing by the Department of Defense and Department of Veterans Affairs. Testimony was heard from Representative Smith of New Jersey; Leo S. Mackay, Deputy Secretary, Health, Department of Veterans Affairs; David S.C. Chu, Under Secretary (Personnel and Readiness), Department of Defense; Nancy Dorn, Deputy Director, OMB; Gail Wilensky, Co-Chair, President's Task Force To Improve Health Care Delivery For Our Nation's Veterans; representatives of veterans organizations; and public witnesses.

BUDGET REQUEST—MEDICAL READINESS NEEDS ADEQUACY

Committee on Armed Services: Subcommittee on Readiness held a hearing on the adequacy of the fiscal year 2003 budget request to meet readiness needs. Testimony was heard from the following officials of the Department of Defense: Gen. John M. Keane, USA, Vice Chief of Staff, Department of the Army; Adm. William J. Fallon, USN, Vice Chief of Naval Operations and Gen. Michael J. Williams, USMC, Assistant Commandant, Marine Corps, Headquarters, U.S. Marine Corps., both with the Department of the Navy; and Gen. Robert H. Foglesong, USAF, Vice Chief of Staff, Department of the Air Force.

DEPARTMENT OF STATE BUDGET PRIORITIES

Committee on the Budget: Held a hearing on the Department of State Budget Priorities Fiscal Year 2003. Testimony was heard from Colin L. Powell, Secretary of State.

DOT KIDS IMPLEMENTATION AND EFFICIENCY ACT

Committee on Energy and Commerce: Subcommittee on Telecommunications and the Internet approved for full Committee action H.R. 3833, Dot Kids Implementation and Efficiency Act of 2002.

FEDERAL DEPOSIT REFORM ACT

Committee on Financial Services: Subcommittee on Financial Institutions and Consumer Credit approved for full Committee action, as amended, H.R. 3717, Federal Deposit Insurance Reform Act of 2002.

DRAFT REPORT; BUDGET VIEWS AND ESTIMATES

Committee on Government Reform: Approved the following: a draft Committee Report "A Citizen's Guide on Using the Freedom of Information Act and the Privacy Act of 1974 to Request Government Records;" and Committee Budget Views and Estimates for Fiscal Year 2003 for submission to the Committee on the Budget.

SERVICES ACQUISITION REFORM ACT

Committee on Government Reform: Subcommittee on Technology and Procurement held a hearing on the Services Acquisition Reform Act. Testimony was heard from William Woods, Director, Acquisition and Sourcing Management, GAO; Angela Styles, Administrator, Office of Federal Procurement Policy, OMB; Stephen Perry, Administrator, GSA; Diedre Lee, Director, Procurement, Department of Defense; and public witnesses.

TIBET-U.S. POLICY CONSIDERATIONS

Committee on International Relations: Held a hearing on U.S. Policy Considerations in Tibet. Testimony was heard from Paula Dobriansky, Under Secretary, Global Affairs, Department of State; and public witnesses.

MISCELLANEOUS MEASURES

Committee on the Judiciary: Ordered reported, as amended, the following bills: H.R. 2341, Class Action Fairness Act of 2001; and H.R. 3297, Mychal Judge Police and Fire Chaplains Public Safety Officer's Benefit Act of 2001.

OVERSIGHT—HUD'S LEGISLATIVE HANDBOOK

Committee on the Judiciary: Subcommittee on the Constitution held an oversight hearing on "HUD's 'Legislative Guidebook' and its Potential Impact on Property Rights and Small Businesses, including Minority-Owned Businesses." Testimony was heard from public witnesses.

OFFICE OF JUSTICE PROGRAMS

Committee on the Judiciary: Subcommittee on Crime held an oversight hearing on "The Office of Justice Programs Part Two-Evaluation of Effectiveness." Testimony was heard from Laurie Ekstrand, Director, Justice Issues, GAO; and public witnesses.

OVERSIGHT

Committee on Resources: Subcommittee on Fisheries Conservation, Wildlife and Oceans held an oversight hearing on the U.S. Fish and Wildlife Service, the National Oceanic and Atmospheric Administration, and the National Marine Fisheries Service Budget Requests for Fiscal Year 2003. Testimony was heard from Vice Adm. Conrad C. Lautenbacher, Jr., USN, (Ret.) Under Secretary, Oceans and Atmosphere, NOAA, Department of Commerce; Steve Williams, Director, U.S. Fish and Wildlife Service, Department of the Interior.

MISCELLANEOUS MEASURES

Committee on Resources: Subcommittee on National Parks, Recreation and Public Lands approved for full Committee action the following measures: H. Res. 261, recognizing the historical significance of the Aquia sandstone quarries of Government Island in Stafford County, Virginia, for their contributions to the construction of the Capital of the United States; H.R. 1462, amended, Harmful Nonnative Weed Control Act of 2001; H.R. 2628, Muscle Shoals National Heritage Area Study Act of 2001; H.R. 2937, amended, to provide for the conveyance of certain public land in Clark County, Nevada, for use as a shooting range; H.R. 3421, amended, Yosemite National Park Educational Facilities Improvement Act; H.R. 3425, amended, to direct the Secretary of the Interior to study the suitability and feasibility of establishing Highway 49 in California, known as the "Golden Chain Highway", as a National Heritage Corridor; and H.R. 3853, to make technical corrections to laws passed by the 106th Congress related to parks and public lands.

MISCELLANEOUS MEASURES

Committee on Resources: Subcommittee on Water and Power held a hearing on the following bills: H.R. 3480, Upper Mississippi River Basin Protection Act of 2001; and H.R. 3606, Wallowa Lake Dam Rehabilitation and Water Management Act of 2001. Testimony was heard from the following officials of the Department of the Interior: John W. Keys III, Commissioner, Bureau of Reclamation; and Robert M. Hirsch, Associate Director, Water, U.S. Geological Survey; and public witnesses.

KNOWLEDGE BASED ECONOMY DEMANDS

Committee on Science: Subcommittee on Research held a hearing on Meeting the Demands of the Knowledge Based Economy: Strengthening Undergraduate Science, Mathematics and Engineering Education. Testimony was heard from public witnesses.

CIVIL AERONAUTICS RESEARCH AND DEVELOPMENT REVIEW

Committee on Science: Subcommittee on Space and Aeronautics held a hearing on A Review of Civil Aeronautics Research and Development, focusing on H.R. 3130, Technology Talent Act of 2001. Testimony was heard from Steve Zaidman, Associate Administrator, Research and Acquisitions, FAA, Department of Transportation; Sam Venneri, Associate Administrator, Aerospace Technology, NASA; and public witnesses.

OVERSIGHT—COAST GUARD BUDGET

Committee on Transportation and Infrastructure: Subcommittee on Coast Guard and Maritime Transportation held an oversight hearing on the Coast Guard Fiscal Year 2003 Budget. Testimony was heard from the following officials of the U.S. Coast Guard, Department of Transportation: Adm. James M. Loy, USCG, Commandant; and Master Chief Petty Officer Vincent Patton III.

OVERSIGHT—REDUCED CORPS OF ENGINEERS' BUDGET IMPACTS

Committee on Transportation and Infrastructure: Subcommittee on Water Resources and Environment held an oversight hearing on Impacts of a Reduced Corps of Engineers' Budget. Testimony was heard from public witnesses.

HEALTH QUALITY AND MEDICAL ERRORS

Committee on Ways and Means: Subcommittee on Health held a hearing on Health Quality and Medical Errors. Testimony was heard James Bagain, M.D., Director, National Center for Patient Safety, Department of Veterans' Affairs, State of Michigan; and public witnesses.

WELFARE REFORM WORK REQUIREMENTS AND TIME LIMITS

Committee on Ways and Means: Subcommittee on Human Resources held a hearing on Implementation of Welfare Reform Work Requirements and Time Limits. Testimony was heard from Cynthia Fagnoni, Managing Director, Education, Workforce, and Income Security Issues, GAO; Jennifer Reinert, Secretary, Department of Workforce Development, State of Wisconsin; and public witnesses.

COMMITTEE MEETINGS FOR FRIDAY, MARCH 8, 2002

(Committee meetings are open unless otherwise indicated)

Senate

Committee on Appropriations: Subcommittee on Energy and Water Development, to hold hearings on proposed budget estimates for fiscal year 2003 for the U.S. Army Corps of Engineers and the Bureau of Reclamation, Department of the Interior, 10 a.m., SD–138.

Committee on Energy and Natural Resources: to hold hearings to examine H.R. 1384, to amend the National Trails System Act to designate the Navajo Long Walk to Bosque Redondo as a national historic trail, 10 a.m., SD–366.

House

Committee on Government Reform, Subcommittee on the District of Columbia, hearing on "Economic Development in the District of Columbia: The Role of National Capital Revitalization Corporation," 10 a.m., 2154 Rayburn.

Joint Meetings

Joint Economic Committee: to hold hearings to examine the employment-unemployment situation for February 2002, 9:30 a.m., 311 Cannon Building.

Next Meeting of the **SENATE**

9:15 a.m., Friday, March 8

Senate Chamber

Program for Friday: Senate will continue consideration of the House Message to H.R. 3090, Job Creation and Worker Assistance Act, and S. 517, Energy Policy Act, with votes to occur on the House Message followed by a vote on McCain Amendment No. 2979 (to Amendment No. 2917) to S. 517 beginning at 9:30 a.m.

Next Meeting of the **HOUSE OF REPRESENTATIVES**

2 p.m., Monday, March 11

House Chamber

Program for Monday: Pro forma session.

Extensions of Remarks, as inserted in this issue

HOUSE

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